

Portfolio Committee No. 3 - Education

Early childhood education and care sector in New South Wales

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Early childhood education and care sector in New South Wales

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Chair: Ms Abigail Boyd MLC



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Terms of reference

1. That Portfolio Committee 3 - Education inquire into and report on the early childhood education and care (ECEC) sector in New South Wales, including:
 - (a) the safety, health and wellbeing of children in ECEC services
 - (b) the quality of ECEC services and the educational and developmental outcomes for children attending ECEC services
 - (c) the safety, pay and conditions of workers within the ECEC sector
 - (d) the effectiveness of the regulatory framework for the ECEC sector as applied in New South Wales
 - (e) the effectiveness of the NSW ECEC Regulatory Authority
 - (f) the collection, evaluation and publication of reliable data in relation to ECEC services and the level of public knowledge and access to information made available about each ECEC service
 - (g) the availability and affordability of quality training institutions for early childhood education qualifications
 - (h) the composition of the ECEC sector and the impact of government funding on the type and quality of services
 - (i) the experiences of children with disability, and their parents and carers, in ECEC services, and
 - (j) any other related matters.
2. That the Committee report by 21 May 2026.¹

The terms of reference were self-referred by the committee on 20 March 2025.²

¹ The original reporting date was 31 March 2026 (*Minutes*, NSW Legislative Council, 20 March 2026, item 28). The reporting date was later extended to 21 May 2026 (*Minutes*, NSW Legislative Council, 5 May 2026, item 43).

² *Minutes*, NSW Legislative Council, 20 March 2025, item 28.

Committee details

Committee members

Ms Abigail Boyd MLC	The Greens	<i>Chair</i>
Hon Rachel Merton MLC	Liberal Party	<i>Deputy Chair</i>
Hon Anthony D'Adam MLC	Australian Labor Party	
Hon Tania Mihailuk MLC	Independent	
Hon Cameron Murphy MLC*	Australian Labor Party	
Hon Emily Suvaal MLC	Australian Labor Party	
Hon Natalie Ward MLC*	Liberal Party	

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* The Hon Cameron Murphy MLC substituted for the Hon Mark Buttigieg MLC from 25 March 2025 for the duration of the inquiry.

* The Hon Natalie Ward MLC replaced the Hon Sarah Mitchell MLC as a substantive member of the committee from 5 February 2026.

Secretariat

Kara McKee, Principal Council Officer

Tina Mrozowska, Council Officer

Emma Rogerson, Director

Chair's foreword

Early childhood education and care in New South Wales is in crisis. While the sector is entrusted with the safety, wellbeing and development of our youngest children, the evidence before this committee revealed a system under profound strain—one that is failing too many children, families and educators.

This inquiry was prompted by long-standing concerns raised by workers and families, as well as government documents and media investigations exposing deeply troubling practices within parts of the sector. Such practices include neglect, unsafe environments, regulatory failure and the commercialisation of care at the expense of children's wellbeing. These reports are not isolated anomalies but symptoms of systemic problems that demand urgent action.

Throughout the inquiry, educators and providers described a sector stretched beyond capacity. Chronic staff shortages, excessive workloads, low pay, casualised workforce and high turnover are now entrenched features of early childhood education and care. These conditions compromise not only the wellbeing of workers, but the quality and continuity of care available to children. The committee heard from educators who are deeply committed to their profession yet feel compelled to leave a sector that fails to value or support them adequately.

The committee was particularly concerned by the evidence demonstrating gaps in oversight and enforcement. For far too long, the regulation of the sector has been secretive and ineffective. The inquiry demonstrated clearly that current regulatory settings are not fit for purpose in a sector increasingly dominated by large, for-profit providers, whose business models prioritise growth and revenue over quality and care.

This report makes clear that systemic reform is required. We need a fundamental shift in how early childhood education and care is valued, funded and governed. Children's safety and development must be placed unequivocally at the centre of the system. This means genuine investment in the workforce, stronger regulatory powers and enforcement, greater transparency, and a willingness of governments to challenge market-driven approaches that have demonstrably failed.

The corporate early childhood sector has emerged through this period of public scrutiny of their profound shortcomings seriously bruised. CEOs have lost their jobs. G8's share price on the day we announced this inquiry was \$1.29, today it has lost almost 90% of its value and is trading at around 16 cents, and has announced a wave of centre closures. A sector that has been buoyed for years by a steady stream of government subsidy, spinning off ancillary industries, serving speculators and investors, has faced a reckoning. The race to the bottom, where everybody can get rich – except the people actually educating, caring for and nurturing children – has hopefully reached the limits of its predatory expansion. This report makes a number of recommendations seeking to

curtail profiteering, and includes a clear finding that private equity backed services have no place in the sector.

Let me be very clear. Quality and safety are fundamentally linked. And every dollar that is taken in profit by a corporate early childcare company, or real estate mogul, or labour hire provider, is a dollar not being invested in quality and safety. State and Federal governments have been wilfully ignorant to the entirely predictable results of a market-driven, corporatised expansion of the early childhood sector. In their mind, as long as it was expanding, they were happy. However as we have seen, this was always a false economy. The sector is built on trust, and that trust emerges from quality. When the trust has been shattered as it has, occupancy falls and centres close, and participation metrics being pursued by the government collapse as a result.

Our inquiry heard clearly what will deliver a foundation of quality and safety. It starts, as everything does, with the workforce. It requires plenty of well-paid and well-trained staff, who can afford to pursue and remain in the careers that they love, caring for and educating children, so that children and families are able to develop and maintain a relationship with those staff. The evidence on these points were clear and undeniable. And the evidence was clear that corporate providers consistently fail to deliver on those metrics - because they're not the metrics they're pursuing. While chasing profits and dividends, large providers pay lower wages, have more vacancies, higher turnover, and more part-time staff.

There is much that can and must be done at both a Commonwealth and New South Wales level to protect children, support families, and restore integrity to the sector. The response from governments at both levels, however, has so far been disappointing. Rushed reforms, delivered without any consultation with the workforce who are experts in their field, fail to address the underlying issues and in some cases are already making things worse.

There are already reports that many of these supposed reforms, championed by a government that was caught asleep at the wheel and now desperate to get ahead of the next negative media story, are already harming workforce retention and attraction and leading to good services closing down. By adding to the administrative burden of already over-worked educators and teachers, failing to support them to operationalise regulatory changes, and unfairly penalising those staff without ultimate control over expenditure and operational decisions, the government has sent the sector the message that it isn't listening, and doesn't respect, those who are responsible for the care and education of our youngest children on a daily basis.

On behalf of the committee, I extend sincere thanks to all those who participated in this inquiry. I particularly want to thank the unions and their members who have been invaluable in providing real tangible evidence and insight into this vital sector. I thank my fellow committee members for their engagement with this inquiry and also extend thanks to the committee secretariat for their professionalism and dedication.

To the workers and concerned families who feel dismayed at the failures by the government to take this issue seriously, I share your frustration. While governments try and wash their hands of this problem and pretend like the issues are all solved, we know that the process of repair and reform are just getting started. The safety, care and education of children is too important to let go once the media cycle moves on.

Ms Abigail Boyd MLC
Committee Chair

Findings

- Finding 1** **47**
The nationally harmonised system of child safety laws and regulations has meant that governments have been too slow to act on recommendations made in reviews of the early childhood education and care sector, which has prevented or unduly delayed the implementation of much needed reforms designed to protect children from harm.
- Finding 2** **47**
That legislative reform in New South Wales was further delayed due to the decision to refer the Children (Education and Care Services National Law Application) Amendment Bill 2025 to Portfolio Committee No. 3 for inquiry and report.
- Finding 3** **97**
That, in general, large for-profit providers are of a lower quality and are less safe for children than not-for-profit (including government and community run) early childhood education and care services.
- Finding 4** **97**
That private equity backed services have no place in the early childhood education and care sector.
- Finding 5** **98**
That the availability of high-quality early childhood education and care should not be dictated by postcode or income.
- Finding 6** **100**
That real estate developers and investors are influencing decisions about where new early childhood education and care services are established, which has subsequently impacted on the availability of services in lower socioeconomic areas, and non-metro areas.
- Finding 7** **145**
That the NSW Early Childhood Education and Care Regulatory Authority failed to respond appropriately to services with extensive histories of non-compliance, breaches, safety incidents and persistently poor ratings.
- Finding 8** **147**
That CCTV is a useful regulatory and investigative tool, but should not be relied upon for keeping children in early childhood education and care settings safe and is no substitute for adequate staffing and supervision.
- Finding 9** **172**
That systemic weaknesses in the early childhood education and care sector, including the proliferation of for-profit services and a lax regulatory approach, have allowed predators to enter the sector and abuse children.

Recommendations

Recommendation 1

48

That the NSW Government advocate for and participate in the creation of a National Early Childhood Education and Care Commission, as recommended by the Productivity Commission. This body should have responsibility for matters including:

- national-level data analysis and oversight of system performance
- leading national reforms in areas such as Working with Children Checks and other regulatory safeguards
- stewarding supply and infrastructure planning to limit the growth of unscrupulous providers, ensure services meet demand and community expectations around quality, safety and inclusion.

Recommendation 2

98

That the NSW Government focus funding towards services in areas where there is a relative scarcity of high quality services.

Recommendation 3

99

That the NSW Government revise Start Strong funding to ensure community-run preschool or not-for-profit early childhood education and care services are not forced to close down or significantly increase fees due to the expiry or revocation of a favourable lease or other arrangement with the State or a NSW local council.

Recommendation 4

99

That the NSW Government develop and introduce a policy about the composition of the early childhood education and care sector, which uses government funding and other levers (including through Childcare and Economic Opportunity Fund funding prioritising the expansion of high-quality, not for profit-providers and by facilitating the provision of favourable lease arrangements for services to run on land owned by State and local governments) to:

- reduce the overall percentage of large for-profit providers and services, and
- increase the overall percentage of not-for-profit, government-run and community-run providers and services.

Recommendation 5

100

That the NSW Government urge the Australian Government to:

- require providers to disclose financial, operational and other information, similar to the material released on My Aged Care
- publish this information in an easily digestible format, likely on StartingBlocks.

Recommendation 6

101

That the NSW Government investigate models of regulating rents in the early childhood education and care sector.

- Recommendation 7** **101**
That the NSW Government take action, where possible, to increase transparency around the role of the real estate sector in the early childhood education and care sector, including by requiring the release of information about the proportion of fees and government subsidies being paid by providers towards rent.
- Recommendation 8** **102**
That the NSW Government call on the Australian Government to fully investigate other models of public funding (such as direct funding for services, or subsidies being limited to services with fee caps and/or profit caps) as an alternative to the current early childhood education and care funding mechanisms.
- Recommendation 9** **102**
That the NSW Government urge the Australian Government to improve the accessibility and availability of the Inclusion Support Program, including for children and families from culturally and linguistically diverse backgrounds.
- Recommendation 10** **103**
That the NSW Government work with the Independent Education Union of Australia, Community Early Learning Australia and United Workers Union to address workforce attraction and retention challenges by fully funding community preschools and enabling teachers and educators to be provided with fair pay and conditions.
- Recommendation 11** **144**
That the NSW Early Learning Commission review their assessment and rating process to ensure:
- consistency and measurability, including through raising assessor qualification and experience standards and/or creating an audit of the assessor workforce to improve the qualifications and experience of ratings assessors
 - adequate safeguards are in place to prevent services manipulating the process to secure higher ratings.
- Recommendation 12** **144**
That the NSW Early Learning Commission continue to conduct significantly more unannounced spot checks on services to address the issue of services manipulating the assessment and rating process.
- Recommendation 13** **144**
That the NSW Early Learning Commission publish internal risk ratings of early childhood education and care services along with an explanation of how those risk ratings are derived.
- Recommendation 14** **145**
That the NSW Government mandate that every early childhood education and care service be assessed and rated at least every three years, and that it adequately funds the NSW Early Learning Commission to ensure this mandate can be met.

- Recommendation 15** **146**
That the NSW Government establish a process to appoint an administrator to take over poor performing services until the service improves or is closed.
- Recommendation 16** **146**
That the NSW Government ensures that providers applying to open new services cannot have a service rated as 'Working Towards' or lower.
- Recommendation 17** **148**
That the NSW Government takes steps to ensure that the implementation of the National Educator Register:
- is nationally consistent so safety issues don't fall through the gaps of state-by-state regulation
 - includes mandatory high quality child safety training for all educators at registration (with training to be updated on an annual basis)
 - incorporates funding for ongoing professional development and training, including paid time to undertake the training and backfill to ensure no gaps in staffing
 - results in registration that is free or low cost and is fast - no educator should be forced to wait months to start work during a staffing crisis
 - provide that pre-employment screening be conducted by a centralised body, with serious offences automatically precluding employment and other offences triggering a risk assessment process
 - ensures access to natural justice - educators must be provided with a fair opportunity to respond to complaints or matters that would result in their exclusion from the sector
 - ensures educators have an opportunity to appeal decisions, both internally and externally, at no or low cost. Educators must also have a right to be represented during the process.
- Recommendation 18** **149**
That the Early Learning Commission ensures that staffing waivers be given as a last resort measure and for a short period of time only.
- Recommendation 19** **149**
That the Early Learning Commission adopt a 'zero tolerance' approach in relation to imposing penalties for staff ratio breaches that have led to or could reasonably lead to harm to children.
- Recommendation 20** **149**
That the NSW Government as a matter of priority continue to work with the Australian Government, and peak bodies, to introduce pay parity with school teachers for early childhood education and care educators and teachers.
- Recommendation 21** **150**
That the Early Learning Commission review whether requirements to photograph children to send to parents or carers is an unnecessary task that detracts from the core roles and responsibilities of early childhood education and care staff and to consider whether to

prescribe the manner and extent to which photographs of children should be required by a service to be taken in order to distribute to parents and carers.

- Recommendation 22** **150**
That the NSW Government work with the Australian Government, and peak bodies, to introduce paid annual leave for the early childhood education and care workforce to undertake training.
- Recommendation 23** **151**
That the NSW Government investigate ways in which to prevent apprentices and trainees from being unsupervised around children while being counted in educator to child ratios.
- Recommendation 24** **151**
That the NSW Government prevent services not yet rated or those rated 'working towards' from taking student placements.
- Recommendation 25** **152**
That the NSW Government implement measures to ensure children with additional needs cannot be rejected from services because of their additional needs, and that services must provide reasonable adjustments to support children.
- Recommendation 26** **153**
That the NSW Government:
- urgently reviews the funding arrangements for children with disability in early childhood education and care settings to ensure that services are able to adequately meet the needs of all children with disability requesting placement in their service
 - introduces a New South Wales wide inclusion funding stream for early childhood education and care that enables services to build workforce capability and implement service-level improvement plans to support inclusion
 - creates a dedicated office to support parents of excluded children, enabling them to report exclusionary practices as clear breaches of the NQF.
- Recommendation 27** **153**
That the NSW Government ensure all staff in early childhood education and care receive adequate training to support children with disability or additional needs, including children from culturally and linguistically diverse backgrounds.
- Recommendation 28** **173**
That the NSW Government investigate the viability of a database to hold information about reported problematic behaviours of early childhood education and care staff, which may be held by NSW Police or another appropriate body.

- Recommendation 29** 174
That the NSW Government introduce a requirement that at least two staff members are in line of sight of each other at all times when interacting with children at early childhood education and care services.
- Recommendation 30** 174
That the NSW Government call on the Australian Government to conduct a review of the mandatory child safety training after 12 months and share the outcome of the review with all states and territories.
- Recommendation 31** 174
That the NSW Early Learning Commission develop and advertise free child safety training to be available for all parents and carers.
- Recommendation 32** 175
That the NSW Government implement a single reporting line for early childhood education and care staff, and others, to make child safety reports which will notify relevant agencies on the reporter's behalf.
- Recommendation 33** 175
That the NSW Early Learning Commission investigate and implement strategies to improve reporting culture across the early childhood education and care sector.
- Recommendation 34** 176
That the NSW Early Learning Commission refer all matters which may constitute a criminal offence and an offence under the *Education and Care Services National Law Act 2010* or Education and Care Services National Regulations 2010 to NSW Police in the first instance.
- Recommendation 35** 176
That the NSW Government ensure that all child safety reforms are applied equitably to all early childhood education and care services.

Conduct of inquiry

The terms of reference for the inquiry were self-referred by the committee on 20 March 2025.

The committee received 168 submissions and three supplementary submissions.

The committee held four public hearings at Parliament House in Sydney.

The Chair and Deputy Chair of the committee also participated in a discussion with children who attend an early childhood education and care service on 21 November 2025, organised by the Advocate for Children and Young People.

Inquiry related documents are available on the committee's website, including submissions, hearing transcripts, tabled documents and answers to questions on notice.

Procedural issues

On 13 November 2024, Ms Abigail Boyd MLC successfully moved a motion in the Legislative Council, under Standing Order 52, for an order for papers (initial order) relating to regulatory oversight, compliance actions, incidents, safety, and governance of the early childhood education and care sector in New South Wales.³ (See Appendix 2)

On 21 November 2024, the Cabinet Office requested to vary the scope of the order for papers.⁴ This request was not agreed to by Ms Boyd MLC.⁵

On 12 and 16 December 2024, public returns to orders were received from the Office of the Children's Guardian (2 documents). On 11 December 2024, The Cabinet Office provided privileged documents subject to claim of personal information.

On 20 December 2024, Ms Boyd disputed the validity of the claims of privilege on documents returned on 11 December 2024 from The Cabinet Office, with the Honourable Keith Mason AC KC appointed as Independent Legal Arbiter to evaluate and report as to the validity of the claim of privilege.⁶

³ *Minutes*, NSW Legislative Council, 13 November 2024, item 48.

⁴ Correspondence, from The Cabinet Office, to Clerk, 21 November 2024, <https://www.parliament.nsw.gov.au/tp/files/190045/Variation%20SO53%20-%20ECEC%20-%20Boyd%20-%2021%20November%202024.docx.pdf>.

⁵ *Minutes*, NSW Legislative Council, 21 November 2024, item 35.

⁶ *Minutes*, NSW Legislative Council, 18 March 2025, item 34.

On 6 March 2024, according to Standing Order 54, the Privileges Committee published the Independent Legal Arbiter's interim report on a sample of documents subject to the dispute, in which Mr Mason:

- noted agreement between Ms Boyd, ministers and agencies over certain information which should not be made public, or where certain claims of privilege had been waived,
- expressed a view that did not accept most aspects of the Department of Education's continued claims of privilege.⁷

Despite the interim report of the Independent Legal Arbiter and a commitment by the Deputy Premier, Minister for Education and Early Learning, and Minister for Western Sydney in a Budget Estimates hearing on 25 February 2025 to provide documents in response to the initial order, the remainder of the documents were not provided.⁸

On 18 March 2025, Ms Abigail Boyd MLC successfully moved a censure motion against the Leader of the Government in the Legislative Council for non-compliance with an order for papers related to the early childhood education and care sector. The motion requested further documents and called for said documents to be provided by 1 April 2025 (further order).⁹ (See Appendix 3)

On 31 March 2025, The Cabinet Office requested to vary the scope of the further order dated 18 March 2025 and the timeframe of the order. While the variation to the scope was not agreed to by Ms Boyd, the timeframe of the order was amended as 'all documents created between 1 January 2021 and 13 November 2024,' instead of 'all documents created since 1 January 2021'.¹⁰

In late March 2025, Ms Boyd and the Deputy Premier came to an agreement not to publish documents which contained:

- names and personal information of individual educators or witnesses to incidents, as well as personal information that could identify an educator or witness where they have been the alleged victim of inappropriate behaviour or another similar incident
- details of an ongoing investigation into a matter and allegations not substantiated at time of release of documents.¹¹

It was also agreed that members could request unredacted versions of specified documents with the names of individual educators provided in the event that they had

⁷ *Minutes*, NSW Legislative Council, 18 March 2025, item 34.

⁸ *Minutes*, NSW Legislative Council, 18 March 2025, item 34.

⁹ *Minutes*, NSW Legislative Council, 18 March 2025, item 34.

¹⁰ *Minutes*, NSW Legislative Council, 6 May 2025, item 34.

¹¹ Correspondence from The Cabinet Office, to Clerk, 2 April 2025, <https://www.parliament.nsw.gov.au/tp/files/190708/Correspondence%20-%20ECEC%20-%202%20April.pdf>.

concerns about systemic, widespread, or other significant issues in the public interest with individual educators.¹²

On 5 June 2025, both the initial and further order was amended by the Government to remove references to:

- 'allegation or risk of significant harm incidents'
- any reports or notifications to the Department of Communities and Justice of risk of significant harm ('ROSH') for children while in the care of New South Wales ECEC providers, and
- payments relating to the Childcare and Economic Opportunity Fund and the Start Strong for Long Daycare program.¹³

Overall, numerous returns to orders were received from The Cabinet Office between December 2024 and November 2025.¹⁴ In total, 217 boxes were received as part of this return.

Public documents are deemed published by authority of the House and can be accessed by anyone, for example, media and members of the public.

Privileged documents refer to documents that are subject to claims of legal professional privilege or public interest immunity. These documents are only available to members of the Legislative Council and while members may view the documents, they cannot make public the information contained therein.

¹² Correspondence from The Cabinet Office, to Clerk, 2 April 2025, <https://www.parliament.nsw.gov.au/tp/files/190708/Correspondence%20-%20ECEC%20-%202%20April.pdf>.

¹³ *Minutes*, NSW Legislative Council, 5 June 2025, item 2.

¹⁴ Parliament of NSW, *Orders for Papers, Early childhood education and care sector*, <https://www.parliament.nsw.gov.au/lc/ordersforpapers/pages/house-papers.aspx?filterHouse=LC&paperType=TabledPapers&view=Title&browseHouse=LC&type=TabledPapers&browseDisabled=yes&docType=order+for+papers&tab=filter&s=1&ofpLetter=E&ofpSessionId=&s=1>.

Chapter 1 The voices of children

This chapter provides first-hand accounts and lived experiences of children in the early childhood education and care sector, as they play and engage in some of the earliest forms of education.

Through the eyes of children in early childhood education and care settings

1.1 The experiences of children have provided the committee with valuable insight into the early childhood and care sector, directly from those who use them most.

1.2 In her evidence, Ms Janene Rox, Director, Cronulla Preschool Kindergarten, shared with the committee an interaction she had with children she cares for about what they would like the committee to know:

I spoke to a group of preschoolers about coming here today ... asking them, "What do you think I should tell them?" One little boy responded and he said, "Can you just tell them that all kids should come to preschool and that our preschool is great, the teachers are always here to keep us safe and we get to play every day."¹⁵

1.3 It is clear that children enjoy attending safe, fun and supportive early childhood education and care services. This was echoed in evidence from children who visited NSW Parliament on 21 November 2025. Through play and conversation, the children told the committee about what made them feel safe and cared for, such as: 'I feel happy when my friends and teachers look after me' and 'when my parents go it's hard, but the teachers always look after me'.¹⁶

1.4 Support from their friends and educators and engaging in a variety of play also emerged as key themes from the children's responses.¹⁷

1.5 The children also shared with the committee some of their favourite things that they liked to do at their service such as:

- spending time with their friends
- drawing
- playing
- eating their favourite foods

¹⁵ Evidence, Ms Janene Rox, Director, Cronulla Preschool Kindergarten, 13 August 2025, p 51.

¹⁶ Appendix 1 Consultation with children – summary report, 21 November 2025, p 154.

¹⁷ Appendix 1 Consultation with children – summary report, 21 November 2025, p 153.

- playing with Lego.¹⁸

1.6 Despite their young age, the committee heard that children understand the world around them and have a profound grasp on what matters to them and keeps them safe. Ms Nina Isho, Member, Social Justice in Early Childhood Foundation, recounted suggestions from children on how to make the world a safer place. Some of their solutions were:

- 'Tell the Government to stop cutting down trees, and children are amazing'
- 'Don't be like Miss Trunchbull'
- 'More chocolate ice cream and playing'
- 'Help people when they need help'
- 'I think people should care about children'.¹⁹

1.7 Further insight from children into what they thought about their own safety and needs was provided by Mr Stephen Gallen, Board member, Social Justice in Early Childhood Foundation, who relayed:

Sonny, who is five years old, said, "I think they should shut the bad preschools down, and they should tell all the parents not to bring their kids there anymore." Hazel, who's four years old, said, "The bad people should go to jail—a real one, not a pretend one. For the kids, all you have to do—you should be good to them and give them what they want or would like." I said, "How would the adults know what children want or like?" She said—and I think this is very simple, but it's really profound—"The kids could tell them." Again, we should be listening to children.²⁰

Committee comment

1.8 The committee appreciates the opportunity to hear directly from children about their experiences and expectations of the early childhood education and care sector. The above accounts clearly highlight that children have an understanding of their own needs and thrive when enrolled in supportive and safe early childhood education and care services.

1.9 The committee acknowledges the time undertaken by the educators to prepare the children for their visit to NSW Parliament. The committee thanks them for their time at Parliament and for sharing their experiences and insights.

¹⁸ Appendix 1 Consultation with children – summary report, 21 November 2025, p 153.

¹⁹ Evidence, Ms Nina Isho, Member, Social Justice in Early Childhood Foundation, 13 August 2025, p 35.

²⁰ Evidence, Mr Stephen Gallen, Board member, Social Justice in Early Childhood Foundation, 13 August 2025, p 35.

Chapter 2 Background

This chapter explores the regulatory environment of the early childhood education and care sector in Australia and New South Wales. This includes the key bodies that oversee the regulatory frameworks, and other systems in New South Wales that aim to protect children. The chapter then outlines the various early childhood education and care settings that operate in New South Wales, and the different provider models of these services. It also considers the qualification and training requirements for educators and teachers in the sector, and the qualification requirements for each type of service. Recent media reporting and criminal matters that have increased community awareness and concerns of systemic issues within the sector are discussed. Finally, it outlines some key reviews undertaken of the sector, and the government responses to such reviews.

The regulatory environment

- 2.1** This section starts with outlining the National Quality Framework (NQF). This Framework operates across Australia by providing a uniform approach to regulation, assessment and quality improvement for early childhood education and care (ECEC) services.²¹
- 2.2** The section then identifies the bodies responsible for overseeing and enforcing the NQF in Australia and New South Wales. In Australia, the Australian Children's Education and Care Quality Authority (ACECQA) oversees the NQF. In New South Wales, the ECEC sector is regulated by the NSW Early Learning Commission (formerly regulated by the NSW Early Childhood Education and Care Regulatory Authority).²²
- 2.3** It then considers the systems in New South Wales that aim to prevent harm to children within ECEC services, and the response frameworks when potential harm is identified.

The National Quality Framework – Australia

- 2.4** The NQF provides a national approach to regulation, assessment and quality improvement for ECEC services in Australia. It encompasses:
- the National Law and National Regulations
 - the National Quality Standard
 - nationally consistent assessment and quality rating process

²¹ Submission 109, NSW Government, p 3.

²² Submission 83, Australian Children's Education and Care Quality Authority, p 1; Media Release, Hon Courtney Houssos MLC, Acting Minister for Education and Early Learning, 'New independent regulator to drive early learning and care reform', 29 November 2025.

- approved learning frameworks.²³

2.5 The NQF commenced in 2012 and replaced the nine different government regulatory systems for ECEC services. It is jointly governed by the Australian Government and all state and territory governments. It provides frameworks and objectives for regulators and ECEC services.²⁴

National Law and National Regulations

2.6 The NQF operates under an applied law system.²⁵ This means that the *Education and Care Services National Law Act 2010* (National Law) and the Education and Care Services National Regulations 2010 (National Regulations) are applied in each jurisdiction, with some varied provisions as applicable to the needs of each state or territory.²⁶

2.7 In New South Wales, the National Law is applied through the *Children (Education and Care Services) National Law (NSW) 2010* and the Education and Care Services National Regulations 2011.²⁷ New South Wales has also enacted legislation outside of the National Law and Regulations - the *Children (Education and Care Services) Supplementary Provisions Act 2011*, and the Children (Education and Care Services) Supplementary Provisions Regulation 2024. These pieces of legislation regulate mobile and occasional care services, amongst other things.²⁸

2.8 The National Law and National Regulations define the minimum standards for safety and quality which providers must meet before they can operate.²⁹ State and territory regulatory authorities monitor compliance with these standards and can undertake investigations or compliance action where there are breaches.³⁰

National Quality Standard

2.9 The National Quality Standard (NQS) applies to ECEC services in addition to the National Law and National Regulations.³¹ It sets out seven quality areas that are expected to be achieved by ECEC services, as follows:

- Quality Area 1 – Educational program and practice

²³ Submission 109, NSW Government, p 3.

²⁴ Submission 83, Australian Children's Education and Care Quality Authority, pp 3; 5.

²⁵ Submission 83, Australian Children's Education and Care Quality Authority, p 3.

²⁶ ACECQA, *National Law*, <https://www.acecqa.gov.au/nqf/national-law-regulations/national-law>.

²⁷ Submission 109, NSW Government, p 4.

²⁸ Submission 86, National Disability Services, p 12.

²⁹ Submission 83, Australian Children's Education and Care Quality Authority, p 3.

³⁰ Submission 83, Australian Children's Education and Care Quality Authority, p 3.

³¹ Submission 83, Australian Children's Education and Care Quality Authority, p 3.

- child-centred, stimulated and maximise opportunities for enhancing and extending each child's learning and development.
- Quality Area 2 – Children's health and safety
 - environment to safeguard and promote children's health, safety and wellbeing.
- Quality Area 3 – Physical environment
 - safe, suitable and provide a rich and diverse range of experiences to promote learning and development.
- Quality Area 4 – Staffing arrangements
 - qualified and experienced educators who develop warm, respectful relationships with children, create predictable environments and encourage children's active engagement in the learning program.
- Quality Area 5 – Relationships with children
 - responsive, respectful and promote children's sense of security and belonging.
- Quality Area 6 – Collaborative partnerships with families and communities
 - collaborative relationships with families are fundamental to achieving quality outcomes for children, and community partnerships based on active communication, consultation and collaboration are essential.
- Quality Area 7 – Governance and leadership
 - effective leadership and governance of the service contributes to quality environments for children's learning and development. Effective leaders establish shared values for the service and set clear direction for the service's continuous improvement.³²

2.10 The NQS are used by each regulatory authority to assess and rate ECEC services.³³

Nationally consistent assessment and quality rating process

2.11 ECEC services are assessed and rated by Authorised Officers (AOs) against the NQS.³⁴ These AOs are employed by the relevant state or territory regulatory authority to undertake this assessment and quality rating process.³⁵

2.12 The assessment and rating system specifies five prescribed rating levels. ECEC services are assessed and given a rating for each of the seven quality areas and

³² ACECQA, *National Quality Standard*, <https://www.acecqa.gov.au/nqf/national-quality-standard>.

³³ Australian Children's Education & Care Quality Authority, 'Guide to the National Quality Framework' (February 2018, last updated September 2025), p 102.

³⁴ Submission 83, Australian Children's Education and Care Quality Authority, p 4.

³⁵ Submission 83, Australian Children's Education and Care Quality Authority, p 1.

an overall rating based on these results.³⁶ These ratings are as follows, in consecutive order of quality:

- Significant Improvement Required
- Working Towards National Quality Standard
- Meeting National Quality Standard
- Exceeding National Quality Standard
- Excellent Rating.³⁷

Approved learning frameworks

2.13 There are two national approved learning frameworks under the NQF:

- Belonging, Being and Becoming: The Early Years Learning Framework for Australia (EYLF) V2.0 2022, the national approved learning framework for children from birth to five years of age
- My Time, Our Place: Framework for School Age Care in Australia V2.0 2022, the national approved learning framework for school age children.³⁸

2.14 ECEC services must deliver an educational program to children in their care. These programs must be grounded in, and delivered in accordance with an approved learning framework. They must also be based on developmental needs, interests and experiences of each child, and designed to take into account differences between children.³⁹

³⁶ Australian Children's Education & Care Quality Authority, 'Guide to the National Quality Framework' (February 2018, last updated September 2025), p 102.

³⁷ Education and Care Services National Regulations, r 57.

³⁸ Submission 83, Australian Children's Education and Care Quality Authority, p 4.

³⁹ ACECQA, *Approved learning frameworks*, <https://www.acecqa.gov.au/nqf/national-law-regulations/approved-learning-frameworks>.

2.15 A summary of the components of the NQF can be seen in Figure 1.

Figure 1 Components of the National Quality Framework⁴⁰



Australian Children's Education and Care Quality Authority

2.16 ACECQA is the independent national authority established under the National Law to perform functions relating to the NQF.⁴¹ ACECQA performs a range of legislated, and non-legislated functions. The legislated functions include:

- reporting to Education Ministers on the implementation of the NQF
- working with state and territory regulatory authorities to establish consistent, effective and efficient procedures for the operation of the NQF
- training the AOs employed by regulatory authorities to conduct assessment and quality rating processes
- producing and publishing guides and resources to support regulatory authorities, the early childhood sector and parents understand the NQF
- promote improved quality of ECEC services

⁴⁰ Submission 83, Australian Children's Education and Care Quality Authority, p 4.

⁴¹ Submission 83, Australian Children's Education and Care Quality Authority, p 1.

- assessing and approving individual and organisation qualifications, and keeping national registers of approved providers and services
- managing external, independent expert review of quality rating decisions by regulatory authorities
- making determinations regarding the highest quality level, the 'Excellent rating', for ECEC services.⁴²

2.17 ACECQA also has non-legislated functions. For example, it manages the National Quality Agenda IT System (NQA ITS). This contains national data on education and care services. The NQA ITS allows ACECQA to report on trends and emerging issues in the sector.⁴³

2.18 ACECQA also publicly publishes quarterly NQF Snapshots, which provide an overview of the sector including the progress and results of quality assessment and rating against the NQS.⁴⁴

2.19 ACECQA also has an advisory role, including providing advice in national forums and committees relating to the operation and policy settings of the ECEC sector.⁴⁵

Regulation of the early childhood education and care sector in New South Wales

2.20 The New South Wales Government is responsible for the administration, monitoring and compliance of the NQF in New South Wales.⁴⁶

2.21 Prior to 1 December 2025, the NSW Early Childhood Education and Care Regulatory Authority (NSW ECEC RA) regulated ECEC services. The NSW ECEC RA was a business directorate within the Department of Education.⁴⁷

2.22 From 1 December 2025, the NSW Government established a new regulatory body, the NSW Early Learning Commission.⁴⁸ This regulatory body reports directly to the Minister for Education and Early Learning.⁴⁹ The implementation of this new

⁴² Submission 83, Australian Children's Education and Care Quality Authority, pp 1-2.

⁴³ Submission 83, Australian Children's Education and Care Quality Authority, p 2.

⁴⁴ ACECQA, *NQF Snapshots*, <https://www.acecqa.gov.au/resources/snapshot-and-reports/nqf-snapshots>

⁴⁵ Submission 83, Australian Children's Education and Care Quality Authority, p 2.

⁴⁶ Submission 109, NSW Government, p 3.

⁴⁷ Submission 109, NSW Government, p 3.

⁴⁸ Media Release, Hon Courtney Houssos MLC, Acting Minister for Education and Early Learning, 'New independent regulator to drive early learning and care reform', 29 November 2025.

⁴⁹ Evidence, Mr Murat Dizdar, Secretary, New South Wales Department of Education, 13 August 2025, p 3.

regulator followed a recommendation from the independent review into the NSW Early Childhood Education and Care Regulatory Authority, outlined at 2.136-2.139.

Prior role of the NSW Early Childhood Education and Care Regulatory Authority

2.23 The NSW ECEC RA was responsible for monitoring, supporting and regulating the more than 6,000 ECEC services in New South Wales.⁵⁰ The NSW ECEC RA functions broadly included:

- enforcing compliance with the National Law, National Regulations and New South Wales specific legislative frameworks
- investigating serious incidents that occur in ECEC services, including injuries, assaults or deaths
- undertaking compliance action, prosecutions and prohibitions relating to ECEC services
- working with, and sharing information across, other agencies such as the Office of the Children's Guardian (OCG)
- processing applications for provider and service approvals
- assessing and rating services against the NQS.⁵¹

2.24 The effectiveness of the NSW ECEC RA in regulating the sector is considered in Chapter 4.

Role of the NSW Early Learning Commission

2.25 The recently established NSW Early Learning Commission is responsible for ensuring ECEC services meet standards of safety, quality and compliance.⁵² The focus areas of the Commission are:

- implementing state and national reforms to strengthen regulatory practices and enhance child safety
- provide clear and accessible regulatory information to support parents and carers in making decisions about their child's early learning and care
- working collaboratively with government agencies, including NSW Police, Department of Communities and Justice (DCJ), and the OCG to investigate serious incidents and concerns impacting children's health, safety and wellbeing

⁵⁰ Submission 109, NSW Government, p 3.

⁵¹ NSW Government Education, *About ECEC Our role* (24 February 2025), <https://education.nsw.gov.au/early-childhood-education/about-us/our-role>.

⁵² NSW Government Education, *About the Early Learning Commission* (2 December 2025), <https://education.nsw.gov.au/early-childhood-education/regulation-and-compliance/about-the-early-learning-commission>.

- assessing applications for provider and service approvals and applying rigorous checks to prevent unsuitable providers entering the sector
- assessing and rating quality of services against the NQS
- enforcing compliance with the National Law and National Regulation through regulatory action.⁵³

2.26 Given the timeline of the inquiry, the committee did not receive evidence about the effectiveness of the NSW Early Learning Commission. However, the committee understands that the staff and day-to-day operations of the NSW Early Learning Commission were substantially the same at its creation as had been the case for the NSW ECEC RA.

Child safety frameworks in New South Wales

2.27 This section outlines the various schemes, reporting and investigation systems in New South Wales intended to protect children. These vary from schemes which aim to prevent harm to children, to investigation and reporting procedures when potential harm is identified. The following frameworks and systems are explored:

- The Child Safe Scheme
- Working with Children Check
- The Reportable Conduct Scheme
- Mandatory reporting
- Child Protection Helpline
- Reporting to the regulator
- NSW Police investigations.

The Child Safe Scheme

2.28 The Child Safe Scheme requires all ECEC services to implement Child Safe Standards.⁵⁴ The Child Safe Standards are a framework that guide child safe practice in ECEC services. The Child Safe Standards are:

1. Child safety is embedded in organisational leadership, governance and culture.

⁵³ NSW Government Education, *About the Early Learning Commission* (2 December 2025) NSW Government Education, <https://education.nsw.gov.au/early-childhood-education/regulation-and-compliance/about-the-early-learning-commission>.

⁵⁴ Submission 157, NSW Office of the Children's Guardian, p 1; Evidence, Ms Rachael Ward, Acting Children's Guardian, Office of the Children's Guardian, 14 August 2025, p 15.

2. Children participate in decisions affecting them and are taken seriously.
3. Families and communities are informed and involved.
4. Equity is upheld, and diverse needs are taken into account.
5. People working with children are suitable and supported.
6. Processes to respond to complaints of child abuse are child focused.
7. Staff are equipped with the knowledge, skills and awareness to keep children safe through continual education and training.
8. Physical and online environments minimise the opportunity for abuse to occur.
9. Implementation of the Child Safe Standards is continuously reviewed and improved.
10. Policies and procedures document how the organisation is child safe.⁵⁵

2.29 The OCG is responsible for monitoring, investigating and enforcing the implementation of the Standards, as well as providing guidance, training and education about the Standards.⁵⁶

Working with Children Check

2.30 Any adult who works or volunteers in child-related services in New South Wales must have a Working with Children Check (WWCC).⁵⁷ The OCG administers this screening system.⁵⁸

2.31 The following screening occurs when an application for a WWCC is received:

- a national criminal history check
- a review of findings of workplace misconduct
- a review of reports of concerns

⁵⁵ Submission 157, NSW Office of the Children's Guardian, pp 1-2.

⁵⁶ Submission 157, NSW Office of the Children's Guardian, pp 1-2.

⁵⁷ NSW Government Office of the Children's Guardian, *Working with Children Check*, Office of the Children's Guardian, <https://ocg.nsw.gov.au/working-children-check>.

⁵⁸ Submission 157, NSW Office of the Children's Guardian, p 3.

- consideration of any information received from other services responsible for the safety, welfare or wellbeing of children and young persons.⁵⁹

2.32 If no relevant records are identified, the OCG must issue a WWCC clearance.⁶⁰

2.33 Serious criminal offences, such as physical and sexual offending against children, animal cruelty and drug offences involving children, prevent and disqualify a person from holding a WWCC.⁶¹

2.34 Other screening notifications require the OCG to undertake a risk assessment before issuing or refusing a clearance.⁶² For example, misconduct involving children, reportable conduct notifications, or notices under the National Law.⁶³

2.35 The WWCC Unit continuously monitors current WWCC clearances, and receives notifications which impact whether a holder or applicant should keep their clearance.⁶⁴

2.36 Employers must verify the WWCC details of relevant employees, and keep records of anyone in child-related work.⁶⁵

2.37 The OCG can take compliance action against employers who fail to verify their employees WWCC or allow workers to engage in child-related work without a WWCC clearance.⁶⁶

2.38 The Child Protection (Working with Children) and Other Legislation Amendment Bill 2025, which was assented to on 23 September 2025, introduced a range of reforms to the WWCC system. Some of the reforms include:

- A person must have a WWCC clearance to work at an ECEC service, previously a person could work with a WWCC application pending.⁶⁷

⁵⁹ Submission 157, NSW Office of the Children's Guardian, p 4; *Children and Young Persons (Care and Protection) Act 1998* ch 16A.

⁶⁰ Submission 157, NSW Office of the Children's Guardian, p 4.

⁶¹ *Child Protection (Working with Children) Act 2012* s 18(1); Sch 2 (1)-(2).

⁶² Submission 157, NSW Office of the Children's Guardian, p 4.

⁶³ *Child Protection (Working with Children) Act 2012* Schedule 1.

⁶⁴ Note - such matters may include a holder or applicant being charged with an offence, sustained findings under the Reportable Conduct Scheme, an adverse outcome being imposed on their clearance in another jurisdiction, or by the NDIS Worker Check - see Submission 157, NSW Office of the Children's Guardian, p 4.

⁶⁵ Submission 157, NSW Office of the Children's Guardian, p 4.

⁶⁶ Submission 157, NSW Office of the Children's Guardian, p 4.

⁶⁷ Submission 157, NSW Office of the Children's Guardian, pp 3-4; Child Protection (Working with Children) and Other Legislation Amendment Bill 2025.

- Decisions about WWCC clearances can only be reviewed through an OCG internal review team, previously there was an avenue for appeal to the NSW Civil and Administrative Tribunal.⁶⁸
- A prohibition order placed on an educator or teacher under the National Law is now a factor triggering a screening notification.⁶⁹

The Reportable Conduct Scheme

2.39 The Reportable Conduct Scheme requires heads of relevant entities to respond when they become aware of alleged reportable conduct.⁷⁰ For the purposes of this report, relevant entities include approved ECEC services (long day care, preschool, family day care, occasional and mobile care services).⁷¹

2.40 'Reportable conduct' includes the following:

- a child sexual offence
- sexual misconduct with, towards or in the presence of a child
- ill-treatment of a child
- neglect of a child
- an assault against a child
- an offence under section 43B or 316A of the *Crimes Act 1900*⁷²

⁶⁸ Evidence, Ms Rachael Ward, Acting Children's Guardian, Office of the Children's Guardian, 14 August 2025, p 17; NSW Government Office of the Children's Guardian, *Seeking a review or reassessment of a WWCC outcome* (19 November 2025) <https://ocg.nsw.gov.au/contact-us/seeking-review-or-reassessment-wwcc-outcome>.

⁶⁹ NSW Government Education, *Child safe recruitment and employment practices* (24 April 2026) <https://education.nsw.gov.au/early-childhood-education/regulation-and-compliance/regulation-assessment-and-rating/child-safety/working-with-children>

⁷⁰ Office of the Children's Guardian, *Identifying reportable allegations, the NSW Reportable Conduct Scheme - Fact sheet 1* (revised September 2025), Reportable Conduct fact sheets, <https://ocg.nsw.gov.au/organisations/reportable-conduct-scheme/reportable-conduct-fact-sheets>. Note - heads of ECEC services have the same obligations under the scheme when they become aware of a 'reportable conviction', which means a conviction in a court in NSW or elsewhere, of an offence involving reportable conduct.

⁷¹ NSW Government Office of the Children's Guardian, *Organisations and employees in the Scheme* (1 October 2025), NSW Government Office of the Children's Guardian, <https://ocg.nsw.gov.au/organisations/reportable-conduct-scheme/organisations-and-employees-scheme>.

⁷² *Crimes Act 1900* s 43B refers to the offence of 'Failure to reduce or remove risk of child becoming victim of child abuse' and *Crimes Act 1900* s 316A refers to the offence of 'Concealing child abuse'.

- behaviour that causes significant emotional or psychological harm to a child.⁷³

2.41 Once alerted to alleged reportable conduct, the head of an ECEC service must respond. This may include undertaking immediate risk management, reporting the allegation to police, reporting to the Child Protection Helpline, or planning and coordinating an investigation.⁷⁴

2.42 The OCG oversees how organisations prevent and respond to allegations of reportable conduct towards children.⁷⁵

Mandatory reporting

2.43 Mandatory reporting obligations apply to a range of people who deliver services to children as part of their work. This includes early childhood teachers, educators and management of ECEC services.⁷⁶

2.44 Mandatory reporters must make a report when they have reasonable grounds to suspect that a child is at risk of significant harm and those grounds arise in the course of, or from, their work or role.⁷⁷ Concerns that may be a risk of significant harm include neglect, sexual abuse, physical abuse, emotional abuse, psychological harm or ill treatment, domestic or family violence.⁷⁸

⁷³ Submission 157, NSW Office of the Children's Guardian, pp 2-3.

⁷⁴ Office of the Children's Guardian, *Planning and conducting an investigation, the NSW Reportable Conduct Scheme - Fact sheet 4* (revised October 2025), Reportable Conduct fact sheets, <https://ocg.nsw.gov.au/organisations/reportable-conduct-scheme/reportable-conduct-fact-sheets>.

⁷⁵ Submission 157, NSW Office of the Children's Guardian, pp 2-3.

⁷⁶ NSW Government Communities and Justice, *Mandatory reporting* (11 April 2025), NSW Government Communities and Justice <https://dcj.nsw.gov.au/service-providers/deliver-services-to-children-and-families/nsw-interagency-guidelines-for-practitioners/reporting-responding-wellbeing-and-safety-concerns/mandatory-reporting.html>.

⁷⁷ NSW Government Communities and Justice, *Mandatory reporting* (11 April 2025), NSW Government Communities and Justice <https://dcj.nsw.gov.au/service-providers/deliver-services-to-children-and-families/nsw-interagency-guidelines-for-practitioners/reporting-responding-wellbeing-and-safety-concerns/mandatory-reporting.html>.

⁷⁸ NSW Government Communities and Justice, *Reporting framework* (7 May 2024), NSW Government Communities and Justice <https://dcj.nsw.gov.au/service-providers/deliver-services-to-children-and-families/nsw-interagency-guidelines-for-practitioners/reporting-responding-wellbeing-and-safety-concerns/reporting-framework.html>.

2.45 Where appropriate, a mandatory reporter should make a report to the Child Protection Helpline.⁷⁹

Child Protection Helpline

2.46 The DCJ manages the Child Protection Helpline, who receive and review reports about child safety concerns.⁸⁰

2.47 Where appropriate, the Helpline may refer a matter to the Joint Child Protection Response Program (JCPRP). This is a tri-agency response to child abuse, encompassing NSW Police, DCJ and NSW Health. The JCPRP provides a coordinated safety, criminal justice and health response to children who may have been subjected to child abuse.⁸¹

2.48 Not all matters are dealt with through the JCPRP. Some are more appropriately referred to other areas of police, or if there is no criminal element, referred to a Community Service Centre or require a health intervention.⁸²

Reporting to the regulator

2.49 The National Law and National Regulations require approved providers to notify the relevant regulatory authority of any:

- serious incidents
- complaints
- circumstances at the service which pose a risk to the health, safety or wellbeing of children

⁷⁹ NSW Government Communities and Justice, *Mandatory reporting* (11 April 2025), NSW Government Communities and Justice <https://dcj.nsw.gov.au/service-providers/deliver-services-to-children-and-families/nsw-interagency-guidelines-for-practitioners/reporting-responding-wellbeing-and-safety-concerns/mandatory-reporting.html>.

⁸⁰ NSW Government Communities and Justice, *Child Protection Helpline* (11 April 2025), NSW Government Communities and Justice <https://dcj.nsw.gov.au/service-providers/deliver-services-to-children-and-families/nsw-interagency-guidelines-for-practitioners/assessing-wellbeing-safety-and-risk/child-protection-helpline.html>.

⁸¹ NSW Government Communities and Justice, *Joint Child Protection Response Program* (7 May 2024), NSW Government Communities and Justice <https://dcj.nsw.gov.au/service-providers/deliver-services-to-children-and-families/nsw-interagency-guidelines-for-practitioners/assessing-wellbeing-safety-and-risk/jcprp.html>.

⁸² Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 2.

- any incident or allegation that physical or sexual abuse of a child has occurred or is occurring while the child is being cared for by the service.⁸³

2.50 There are timeframes for these notifications. Serious incidents, complaints, physical and/or sexual abuse of a child must be reported within 24 hours of the provider becoming aware. Any circumstance posing a risk to the health, safety or wellbeing of children must be reported within seven days of the provider becoming aware.⁸⁴

NSW Police investigations

2.51 The NSW Police Force are involved in the ECEC sector when criminal offences are alleged to have been committed against a child in care. The Child Abuse Squad within NSW Police primarily deals with sexual assaults, physical assaults and serious cases of neglect involving children.⁸⁵

2.52 NSW Police and the Child Abuse Squad work with other state government agencies to respond to and manage child abuse allegations.⁸⁶

2.53 The Child Abuse Squad may become aware of alleged child abuse through the Helpline, or when early childhood educators, teachers, or other people who witness offences in ECEC services against children report directly to police.⁸⁷

2.54 Where an alleged incident is referred to the Child Abuse Squad, they will investigate. This process involves gathering information and evidence in relation to the allegation. Following a thorough investigation, police may arrest an alleged offender.⁸⁸

Early childhood education and care settings

2.55 This section outlines the features of the different ECEC settings. The NQF set standards for safety and quality for most types of ECEC services, including:

- long day care (LDC)

⁸³ ACECQA, *Reporting requirements about children*, <https://www.acecqa.gov.au/resources/applications/reporting>.

⁸⁴ ACECQA, *Reporting requirements about children*, <https://www.acecqa.gov.au/resources/applications/reporting>.

⁸⁵ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 2.

⁸⁶ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 2.

⁸⁷ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, pp 2-3.

⁸⁸ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, pp 2-3.

- preschool
- outside of school hours care (OOSH)
- family day care (FDC).⁸⁹

2.56 New South Wales also regulates mobile and occasional care services. These are not regulated through the National Law and Regulations, but rather state based legislation.⁹⁰

2.57 According to ACECQA at the time of writing their submission, there were 3,605 long day care providers, 770 preschool/kindergartens, 1,598 OOSH services and 123 family day care services.⁹¹

Long day care

2.58 Long day care refers to centre-based services, providing all day or part day care.⁹² Long day care services generally provide ECEC services for children from birth to school age.⁹³

Preschool

2.59 Preschool programs are for children aged three to five years old, being the two years before they start primary school.⁹⁴ Preschool programs can be delivered in various ECEC settings, including long day care, mobile preschools and family day care.⁹⁵ However, as dedicated services, there are two types of preschools in New South Wales - not-for-profit preschools and government preschools.⁹⁶

⁸⁹ Submission 83, Australian Children's Education and Care Quality Authority, p 3.

⁹⁰ *Children (Education and Care Services) Supplementary Provisions Act 2011; Children (Education and Care Services) Supplementary Provisions Regulation 2024.*

⁹¹ Submission 83, Australian Children's Education and Care Quality Authority, pp 5-6.

⁹² NSW Government, *Undertaking your options*, NSW Government <https://www.nsw.gov.au/family-and-relationships/having-children/having-a-baby/early-childhood-education-care/understanding-your-options>.

⁹³ Australian Government, *Centre Based Day Care* (20 January 2025) <https://www.education.gov.au/early-childhood/about/service-types/centre-based-day-care>

⁹⁴ NSW Government Education, *Getting ready for preschool*, NSW Government Education (30 October 2025) <https://education.nsw.gov.au/schooling/parents-and-carers/going-to-school/getting-ready-for-school/starting-preschool>.

⁹⁵ NSW Government Education, *Getting ready for preschool*, NSW Government Education (30 October 2025) <https://education.nsw.gov.au/schooling/parents-and-carers/going-to-school/getting-ready-for-school/starting-preschool>.

⁹⁶ Evidence, Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes, NSW Department of Education, 13 August 2025, p 8.

Government preschools are available in public schools the year before kindergarten.⁹⁷

Family day care

2.60 Family day care is ECEC provided in a registered educator's home.⁹⁸ Family day care can provide education and care to children aged six weeks to 12 years of age.⁹⁹

Out of School Hours (OOSH) or Outside School Hours Care (OSHC)

2.61 OOSH and OSHC are used interchangeably to refer to care for school aged children before and after school, during school holidays and on pupil free days.¹⁰⁰ The NSW Department of Education currently uses the term OOSH.¹⁰¹

2.62 OOSH services offer a mix of before and after school hours care and vacation care, for primary school students. In New South Wales, OOSH services operate in more than 900 public schools, with a further 930 offsite OOSH across the state.¹⁰²

2.63 Currently, OOSH services are operated by:

- for-profit providers
- parent-managed not-for-profit providers
- Parents and Citizens (P&C) Association not-for-profit providers
- other not-for-profit providers.¹⁰³

⁹⁷ NSW Government, *Understanding your options*, NSW Government <https://www.nsw.gov.au/family-and-relationships/having-children/having-a-baby/early-childhood-education-care/understanding-your-options>.

⁹⁸ Submission 109, NSW Government, p 5.

⁹⁹ Submission 116, NSW Family Day Care Association Inc., p 6.

¹⁰⁰ Submission 109, NSW Government, p 5.

¹⁰¹ NSW Government Education, *Going to school, Before and After School Care (BASC), About* (5 March 2026) <https://education.nsw.gov.au/schooling/parents-and-carers/going-to-school/primary-schools/before-and-after-school-care/overview->

¹⁰² NSW Government Education, *Going to school, Before and After School Care (BASC), About* (5 March 2026) <https://education.nsw.gov.au/schooling/parents-and-carers/going-to-school/primary-schools/before-and-after-school-care/overview->

¹⁰³ NSW Government Education, *What is outside of school hours care (OSHC)? A guide for families in NSW*, https://education.nsw.gov.au/content/dam/main-education/early-childhood-education/operating-an-early-childhood-education-service/media/documents/What_is_outside_school_hours_care_OSHC_A_guide_for_families_in_NSW.pdf

2.64 OOSH services in New South Wales have historically been deeply rooted in school communities, with the involvement and often direct management responsibility of parents and school communities. P&C Associations directly manage over 40 OOSH services in New South Wales, with 115 other OOSH services operated by other parent-managed not-for-profit providers.¹⁰⁴

2.65 In December 2021, the NSW Government announced a significant policy change to the categorisation of OOSH licences which required previously exempt parent-managed providers to either transition to P&C Association ownership or be considered in commercial tenders as other not-for-profit providers. According to the Federation of Parents and Citizens Associations of New South Wales, this has caused great concern amongst the sector, families and advocates, with some warning that it is resulting in the corporatisation of OOSH in New South Wales:

The impact of a change in NSW Government policy on tender processes for OOSH on public school sites in late 2021 will lead to the corporatisation of OOSH in New South Wales, taking it further away from its roots in parent-managed care and reducing parent involvement in how their children are developmentally supported and educated. It is the position of the P&C Federation that the corporatisation of OOSH is detrimental to the safety, health and wellbeing of children in New South Wales.¹⁰⁵

2.66 Similarly, in their submission Paddington Out of School Care said: 'By putting NFP services up for tender against large corporate providers, the government risks the closure of these services, which have consistently been shown to provide better outcomes for children'.¹⁰⁶

Mobile care services

2.67 Mobile care services travel through communities to provide occasional, preschool or long day care services to children up to six years of age. They primarily operate in rural, remote or urban areas. These services generally benefit people who live far from an ECEC service.¹⁰⁷

¹⁰⁴ Submission 141, Federation of Parents and Citizens Associations of New South Wales, p 1.

¹⁰⁵ Submission 141, Federation of Parents and Citizens Associations of New South Wales, p 1.

¹⁰⁶ Submission 4, Paddington Out of School Care, p 1.

¹⁰⁷ Starting Blocks, *Types of childrens education and care services*, Starting Blocks (21 November 2025) <https://startingblocks.gov.au/resources/choosing-a-service/types-of-childrens-education-and-care-services>.

Occasional care services

2.68 Occasional care services offer care on a casual basis for short periods of time. These services can assist from birth to age five, and older children. They are beneficial for families requiring temporary care services.¹⁰⁸

Early childhood education and care provider models

2.69 There are a range of provider models in the ECEC sector, and those considered in this report include:

- private, for-profit
- private, not-for-profit (community managed and other organisations)
- state/local government managed
- services through schools.¹⁰⁹

2.70 Provider models can also be categorised into small (one service), medium (two to 24 services) and large (25 or more services).¹¹⁰

2.71 In Australia, 79 per cent of approved providers operate a single service while 1 per cent of approved providers operate 25 or more services.¹¹¹

2.72 Australia has some of the highest levels of privatisation of early learning services in the world (over 50 per cent private for-profit - and this keeps growing year on year).¹¹²

Private, for-profit

2.73 For-profit providers account for approximately 50 per cent of the ECEC sector, and 70 per cent of centre-based day care services across Australia.¹¹³ Private, for-profit providers operate under different business models, and have various ownership

¹⁰⁸ Starting Blocks, *Types of childrens education and care services*, Starting Blocks (21 November 2025) <https://startingblocks.gov.au/resources/choosing-a-service/types-of-childrens-education-and-care-services>.

¹⁰⁹ Submission 109, NSW Government, p 5.

¹¹⁰ Australian Children's Education & Care Quality Authority, *NQF Snapshot Q3 2025* (Quarterly report from Australian Children's Education & Care Quality Authority, November 2025) p 8.

¹¹¹ ACECQA, *NQF Snapshot Q2 2025 August 2025*, <https://www.acecqa.gov.au/sites/default/files/2025-08/NQFSnapshotQ22025.pdf>

¹¹² ACECQA, *NQF Snapshot Q2 2025 August 2025*, <https://www.acecqa.gov.au/sites/default/files/2025-08/NQFSnapshotQ22025.pdf>

¹¹³ Submission 109, NSW Government, p 5.

structures. For example, sole traders, private companies, Australian Securities Exchange listed companies and those owned by private equity firms.¹¹⁴

- 2.74** Private, for-profit businesses can also have subsidiary and holding companies which are attached to different childcare centres.¹¹⁵
- 2.75** Large providers have specific financial reporting obligations to the Australian Government Department of Education, including about revenue, profits and leasing arrangements.¹¹⁶

Private, not-for-profit (community managed and other organisations)

- 2.76** Not-for-profit organisations do not operate for the profit, personal gain or benefit of particular people, such as those running the organisation. Profits made by a not-for-profit must be put back into the organisation and allocated towards its purpose.¹¹⁷
- 2.77** Across Australia, not-for-profit providers (including community managed and other organisations) make up approximately 31 per cent of ECEC services.¹¹⁸
- 2.78** The not-for-profit ECEC sector varies in size and composition. Community managed services are managed by community members or groups, such as parents, churches or co-operatives.¹¹⁹ Other not-for-profit organisations are run by a board or committee who are appointed or elected.¹²⁰ As an example of a large provider model, Goodstart Early Learning is the largest ECEC service provider in Australia, and it is owned by a consortium of community sector organisations.¹²¹

¹¹⁴ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, pp 20-23.

¹¹⁵ Evidence, Ms Pam White, Co-lead, Rapid Child Safety Review, Victoria, 23 September 2025, p 56.

¹¹⁶ Starting Blocks, *Large Providers*, Starting Blocks. <https://startingblocks.gov.au/large-providers>.

¹¹⁷ Australian Government Australian Charities and not-for-profits Commission, *Not-For-Profit*, Australian Charities and not-for-profits Commission <https://www.acnc.gov.au/for-charities/start-charity/not-for-profit>.

¹¹⁸ Australian Children's Education & Care Quality Authority, *NQF Snapshot Q3 2025* (Quarterly report from Australian Children's Education & Care Quality Authority, November 2025) p 8.

¹¹⁹ Australian Bureau of Statistics, *National Early Childhood Education and Care Collection Manual 2010*, first issue <https://www.abs.gov.au/ausstats/abs@.nsf/0/711BFC175993740DCA257868001439F4?opendocument>.

¹²⁰ Justice Connect, *Not-for-profit law - Who runs the organisation?*, Justice Connect (15 July 2025) <https://www.nfplaw.org.au/free-resources/who-runs-the-organisation>.

¹²¹ Submission 109, NSW Government, p 5.

- 2.79** Many not-for-profit ECEC services benefit from long-term low rental agreements or peppercorn leases to operate on land owned by state or local government, helping to keep fees lower than might otherwise be the case.¹²²

State and local government managed

- 2.80** The NSW Department of Education operates 100 public preschools across New South Wales.¹²³ The NSW Government has committed to building a further 100 public preschools on public school sites by 2027.¹²⁴
- 2.81** Local government (councils) also operate or coordinate a range of ECEC services, including preschool, long day care, family day care, mobile care, occasional care, vacation care and outside of school hours care. About half of all councils operate centre-based services.¹²⁵
- 2.82** State/territory and local government managed ECEC services comprise six per cent of services across Australia.¹²⁶

Services through schools

- 2.83** State schools, Independent and Catholic schools can operate ECEC services. State government schools comprise four per cent of services across Australia, Independent schools account for three per cent, and Catholic Schools one per cent.¹²⁷

¹²² Submission 129, Joint NFP Submission, p 22; Answers to supplementary questions, SDN, 27 November 2025, pp 3-4.

¹²³ Evidence, Mr Murat Dizdar, Secretary, New South Wales Department of Education, 13 August 2025, p 2.

¹²⁴ NSW Government Education, *Information for families, ECEC services and communities*, Education (11 October 2024) <https://education.nsw.gov.au/early-childhood-education/operating-an-early-childhood-education-service/current-service-providers/universal-preschool/100-new-public-preschools/information-for-families--ecec-services-and-communities>.

¹²⁵ Submission 115, Local Government NSW, p 5.

¹²⁶ Australian Children's Education & Care Quality Authority, *NQF Snapshot Q3 2025* (Quarterly report from Australian Children's Education & Care Quality Authority, November 2025) p 8.

¹²⁷ Australian Children's Education & Care Quality Authority, *NQF Snapshot Q3 2025* (Quarterly report from Australian Children's Education & Care Quality Authority, November 2025) p 8.

Qualification requirements for teachers and educators

2.84 This section outlines the three types of qualifications under the NQF for working in the ECEC sector. It also summarises the role of ACECQA in approving programs for these qualifications, and the bodies that regulate the institutions that run such programs. It then explains the qualification and training requirements of educators and teachers for different ECEC settings.

Types of qualifications

2.85 The three types of early childhood educator and teacher qualifications under the NQF are:

- Early childhood teacher
- Diploma
- Certificate III.¹²⁸

2.86 ACECQA is the body responsible for determining the approved qualifications under the NQF.¹²⁹ Course providers apply to ACECQA to have their program assessed and included in the list of NQF approved qualifications.¹³⁰

2.87 The Australian Skills Quality Authority (ASQA) regulates vocational education institutions, which offer the diploma and certificate III qualifications.¹³¹ The Tertiary Education Quality and Standards Agency (TEQSA) regulates higher education institutions, which offer early childhood teaching qualifications.¹³²

Early childhood teacher qualifications

2.88 ACECQA assesses early childhood teacher program applications based on qualification level, age focus, supervised professional experience, program evaluation and curriculum content.¹³³

2.89 Becoming an early childhood teacher (ECT) requires completion of at least four years of tertiary study, including an accredited teacher education program, at a

¹²⁸ Submission 83, Australian Children's Education and Care Quality Authority, p 12.

¹²⁹ Submission 83, Australian Children's Education and Care Quality Authority, p 12.

¹³⁰ Submission 83, Australian Children's Education and Care Quality Authority, p 12.

¹³¹ Submission 109, NSW Government, p 6.

¹³² Submission 83, Australian Children's Education and Care Quality Authority, p 12.

¹³³ Australian Children's Education and Care Quality Authority, *Requirements for early childhood teaching program assessments*, <https://www.acecqa.gov.au/sites/default/files/2019-11/ACECQA-qualification-requirements-for-early-childhood-teaching-program.pdf>.

recognised university or higher education institution. Early childhood teachers in New South Wales must also complete registration and accreditation with NESAs.¹³⁴

2.90 ACECQA-approved early childhood teaching qualifications include:

- Bachelor of Education (Early Childhood)
- Master of Teaching (Early Childhood)
- A primary teaching degree with an ACECQA-approved Certificate III (or higher) in early childhood education and care. This will remain valid until the transitional measure ceases at the end of 2027. Individuals who obtain this qualification before the end of 2027 will continue to be recognised under this provision
- Bachelor of Teaching (Early Childhood and Primary).¹³⁵

2.91 ACECQA requires early childhood teacher programs to be a Bachelor's degree level, with curriculum and professional experience covering birth to five years. Undergraduate programs are required to undertake 80 days of supervised professional experience, and postgraduate 60 days (with specific requirements for the ages of children). Curriculum content is to cover a range of topics, including content within child development and care, teaching pedagogies, education and curriculum studies, family and community contexts, history and philosophy of early childhood and early childhood professional practice.¹³⁶

2.92 Early childhood teachers working in approved centre-based settings must be registered. In New South Wales, the NSW Education Standards Authority (NESA) manages teacher registration.¹³⁷

2.93 TEQSA is responsible for regulating all providers of higher education in Australia, including those that offer early childhood teaching qualifications.¹³⁸

¹³⁴ NSW Government Education, *Early childhood teachers* (9 December 2025) <https://education.nsw.gov.au/teach-nsw/explore-teaching/types-of-teachers/early-childhood-teachers>

¹³⁵ NSW Government Education, *Early childhood teachers* (9 December 2025) <https://education.nsw.gov.au/teach-nsw/explore-teaching/types-of-teachers/early-childhood-teachers>

¹³⁶ Australian Children's Education and Care Quality Authority, *Requirements for early childhood teaching program assessments*, <https://www.acecqa.gov.au/sites/default/files/2019-11/ACECQA-qualification-requirements-for-early-childhood-teaching-program.pdf>.

¹³⁷ Submission 61, Australian Institute for Teaching and School Leadership Limited (AITSL), p 5; ACECQA, *Early childhood teacher registration and accreditation*, ACECQA <https://www.acecqa.gov.au/qualifications-0/early-childhood-teacher-registration-and-accreditation>.

¹³⁸ Submission 83, Australian Children's Education and Care Quality Authority, p 12.

Early childhood diploma and certificate qualifications

- 2.94** ACECQA assesses applications for diploma and certificate level III programs based on the same criteria as early childhood teaching qualifications, being qualification level, age focus, supervised professional experience, program evaluation and curriculum content.¹³⁹
- 2.95** ACECQA requires diploma programs to be an Australian diploma level (level 5 qualification type under the Australian Qualifications Framework). Certificate III programs are to be Australian certificate III level (level 3 qualification type under the Australian Qualifications Framework). Curriculum and placements are to cover birth to five years of age. For diploma programs, students must complete at least 280 hours of work placements in early childhood settings, and certificate III program students are to undertake 160 hours. The curriculum is to cover a range of topics, including content within child development and care, early childhood professional practice, curriculum studies and family and community contexts.¹⁴⁰
- 2.96** Persons with an approved diploma or certificate III are educators.¹⁴¹ Educators are not required to be registered, unlike teachers.¹⁴²
- 2.97** Diplomas and certificate III qualifications are often delivered in Technical and Further Education (TAFE) institutions or Registered Training Organisation (RTOs). ASQA regulates vocational institutions (including TAFE NSW and RTOs) to ensure compliance with national standards.¹⁴³ Training Services (within the NSW Department of Education) acts as the State Training Authority and receives ASQA notifications about provider compliance. Smart and Skilled contracted providers are subject to compliance checks under the NQF. Quality assurance includes checking training quality and contract compliance. Providers with ECEC qualifications are flagged and information is shared with the NSW ECEC RA.¹⁴⁴

¹³⁹ Australian Children's Education and Care Quality Authority, *Requirements for diploma and certificate III level program assessments*, <https://www.acecqa.gov.au/sites/default/files/2025-08/ACECQA%20qualification%20requirements%20for%20diploma%20and%20certificate%20III%20level%20program%20assessments.pdf>.

¹⁴⁰ Australian Children's Education and Care Quality Authority, *Requirements for diploma and certificate III level program assessments*, <https://www.acecqa.gov.au/sites/default/files/2025-08/ACECQA%20qualification%20requirements%20for%20diploma%20and%20certificate%20III%20level%20program%20assessments.pdf>.

¹⁴¹ Submission 61, Australian Institute for Teaching and School Leadership Limited (AITSL), p 6.

¹⁴² Submission 61, Australian Institute for Teaching and School Leadership Limited (AITSL), p 6.

¹⁴³ Submission 109, NSW Government, p 6.

¹⁴⁴ Submission 109, NSW Government, p 6.

2.98 For early childhood educators including leaderships roles (such as an early childhood director), TAFE NSW offers the following courses:

- Certificate III - Early Childhood Education and Care
- Diploma - Early Childhood Education and Care
- Bachelor - Early Childhood Education and Care (Birth-5).¹⁴⁵

Registered Training Organisations

2.99 Registered Training Organisations (RTOs) deliver the vocational training that results in Qualifications and Statements of Attainment required to carry out a range of work, including early childhood education and care. All RTOs in Australia and the qualifications they are registered to deliver are listed on a national database, Training.Gov.Au, also referred to as TGA.

2.100 In recent years, there has been an increase in fast-tracked Graduate Diploma courses offered by private RTOs. Many of these are operated by private providers. For example, the board of Busy Bees Early Learning group, a private for profit provider, operates Australian Child Care Career Options (ACCCO).¹⁴⁶

2.101 Many other early childhood providers partner with RTOs across Australia to deliver qualifications and traineeships to early childhood educators working in their centres. For example, G8, another private for profit provider, partners with Australian Early Childhood College (AECC) as a key training provider for its employees in New South Wales. Affinity Education Group, another large private for profit provider, operates Affinity Learning Academy (ALA) which partners with RTOs to provide internal qualifications and traineeships for its employees.¹⁴⁷

2.102 The Australian Skills Quality Authority (ASQA), the national regulator for the vocational education and training (VET) sector in Australia, has the ability to cancel the registration of RTOs, which often happens after identifying multiple breaches of the Standards for RTOs. When this happens, qualifications attained by individuals through the involved RTO are seriously impacted and require

¹⁴⁵ TAFE NSW, *Education and Training, Early Childhood Education and Care*, <https://www.tafensw.edu.au/course-areas/education-and-training>

¹⁴⁶ See Evidence, Ms Kerin McMahon, Chief Operations Officer, Busy Bees, 23 September 2025, p 53; Jason Roberts, 'Busy Bees commits to RTO space with acquisition of Australian Child Care Career Options', *The Sector*, 5 July 2022, <https://thesector.com.au/2022/07/05/busy-bees-commits-to-rto-space-with-acquisition-of-australian-child-care-career-options>

¹⁴⁷ See for example G8 Education, *Study Pathways*, <https://careers.g8education.edu.au/search-childcare-traineeships-and-study-pathway-opportunities-at-g8-education-duplicate>; Affinity Education, *Career Pathways at Affinity Education*, <https://affinityeducation.com.au/careers/career-pathways/>

immediate action as they may be invalid and at risk of non-compliance.¹⁴⁸ The ECEC sector is particularly sensitive to qualification integrity due to the regulatory requirements under the NQF.

2.103 Invalid qualifications may impact:

- educator eligibility to be counted in ratios
- compliance with qualification requirements under the National Regulations
- eligibility for leadership roles such as educational leader or nominated supervisor
- mandatory requirements for first aid and child protection training.¹⁴⁹

2.104 ASQA publishes recent regulatory actions on its website:

<https://www.asqa.gov.au/for-students/qualification-integrity-regulatory-action>.

2.105 Dr Linda Newman noted that 'new qualification levels (e.g. Graduate Diploma) are emerging in response to the workforce crisis with one-year Graduate Diplomas proliferating for people entering with non-related degrees.' She argued that these 'fast-track study programs and graduates need to be monitored to decide whether this level of specialist preparation is sufficient to graduate professionals capable of providing safe and high quality education and care'.¹⁵⁰

Qualification requirements for services

2.106 This section outlines the qualification requirements of staff depending on the type of service operating, including centre-based services, family day care, and outside of school hours care.

2.107 Approved providers of all services must ensure their service meets:

- minimum educator qualification requirements¹⁵¹
- early childhood teacher registration and accreditation¹⁵²

¹⁴⁸ See Submission 83, Australian Children's Education and Care Quality Authority, p 12.

¹⁴⁹ Fiona Alston, 'ASQA cancels RTO registration and moves to revoke qualifications in major integrity crackdown', *The Sector*, 30 March 2026, <https://thesector.com.au/article/asqa-rto-cancellation-childcare-qualifications-impact>

¹⁵⁰ Submission 70, Dr Linda Newman, p 2.

¹⁵¹ ACECQA, *Qualification requirements*, <https://www.acecqa.gov.au/qualifications-0/qualification-requirements>

¹⁵² ACECQA, *Early childhood teacher registration and accreditation*, <https://www.acecqa.gov.au/qualifications-0/early-childhood-teacher-registration-and-accreditation>

- requirements for first aid qualifications, anaphylaxis management training and emergency asthma management training¹⁵³
- Child Safety and Child Protection Training Requirements.¹⁵⁴

Centre-based services with children preschool age or under

2.108 Centre-based services refer to long day care and preschools. In these centres, the qualification requirements to meet the relevant educator to child ratios are determined by National Regulation 126:

- at least 50 per cent of educators are to be diploma level qualified or higher (in some instances, persons actively working towards a qualification can be counted)
- the remaining educators are to hold a certificate III (in some instances, persons actively working towards this qualification can be included).¹⁵⁵

2.109 The number of early childhood teachers, and the amount of time the teacher must be available, depends on the number of children at a service and its operating hours. Generally speaking, the more children at a service and the longer the operating hours, the more time teachers must be available.¹⁵⁶

2.110 Approved providers of long day care services and preschools/kindergartens must have a second ECT or, alternatively, a 'suitably qualified person' when 60 or more children preschool age or under are being educated and cared for. A 'suitably qualified person' can be:

- an individual who is 'actively Working Towards' an approved early childhood teaching qualification and has completed at least 50% of the qualification or holds an approved diploma level qualification; or
- an individual who is registered (accredited in New South Wales) as a primary or secondary school teacher in Australia and holds an ACECQA approved diploma level qualification (or higher).¹⁵⁷

¹⁵³ ACECQA, *First aid qualifications & training*, <https://www.acecqa.gov.au/qualifications-0/qualification-requirements/first-aid-qualifications-training>

¹⁵⁴ ACECQA, *Child Safety and Child Protection Training Requirements*, <https://www.acecqa.gov.au/child-safety-and-child-protection-training-requirements>

¹⁵⁵ Education and Care Services National Regulations 2011 reg 126.

¹⁵⁶ Education and Care Services National Regulations 2011 ch 4, Pt 4.4, Div 5.

¹⁵⁷ ACECQA, *Qualifications for centre-based services with children preschool age or under*, <https://www.acecqa.gov.au/qualifications-0/qualification-requirements/qualifications-centre-based-services-children-preschool-age-or-under>

2.111 Centre-based services must have a staff member or nominated supervisor with the following approved qualifications in attendance and available immediately at all times:

- first aid qualification
- anaphylaxis management training
- emergency asthma management training.¹⁵⁸

2.112 One staff member can hold one or more qualifications.¹⁵⁹

Family day care services

2.113 Family day care is provided by a qualified educator in a home environment. The National Regulations set out the qualification requirements for staff working in FDC services.

2.114 Family day care co-ordinators must hold an approved diploma level education and care qualification. Family day care educators must hold an approved certification level III or higher before starting a role in a family day care service (they cannot be working towards a qualification).¹⁶⁰

2.115 The ratio of co-ordinators to educators is relevant to the length of time that a family day care has been operating and the number of engaged or registered educators. The ratios are as follows:

- providing care for less than 12 months – there must be one full time co-ordinator for every 15 engaged educators.
- providing care for more than 12 months:
 - there must be one coordinator for up to 25 educators
 - if there are more than 25 educators, there is to be an additional 0.2 full-time equivalent family day care co-ordinator for every additional 5 family day care educators (or part of that number).¹⁶¹

2.116 In family day care services, each family day care educator engaged or registered with the service must hold an approved first aid qualification, and have

¹⁵⁸ ACECQA, *First aid qualifications & training*, <https://www.acecqa.gov.au/qualifications-0/qualification-requirements/first-aid-qualifications-training>.

¹⁵⁹ ACECQA, *First aid qualifications & training*, <https://www.acecqa.gov.au/qualifications-0/qualification-requirements/first-aid-qualifications-training>.

¹⁶⁰ ACECQA, *Qualifications for family day care services*, <https://www.acecqa.gov.au/qualifications-0/qualification-requirements/qualifications-family-day-care-services>.

¹⁶¹ Education and Care Services National Regulations 2011 ch 4, Pt 4.4, Div 3.

undertaken approved anaphylaxis management training and emergency asthma management training.¹⁶²

Outside school hours care

2.117 There are no national or New South Wales minimum qualification requirements for educators at OSHC services.¹⁶³ Outside New South Wales, state and territory specific qualification requirements apply in the Australian Capital Territory, Queensland, South Australia, Victoria, Western Australia and the Northern Territory.¹⁶⁴

2.118 However, all services operating on the premises of a school must have a staff member in attendance and immediately available with the following qualifications:

- first aid qualification
- anaphylaxis management training
- asthma management training.¹⁶⁵

2.119 One staff member can hold one or more qualifications.¹⁶⁶

Child Safety and Child Protection Training Requirements

2.120 From 27 February 2026, the following people involved in providing education and care regulated under the National Quality Framework (NQF) must complete mandatory national child safety training:

- all persons with management or control
- nominated supervisors
- persons in day-to-day charge

¹⁶² ACECQA, *First aid qualifications & training*, <https://www.acecqa.gov.au/qualifications-0/qualification-requirements/first-aid-qualifications-training>.

¹⁶³ ACECQA, *Qualifications for working in OSHC services*, <https://www.acecqa.gov.au/qualifications-0/qualification-requirements/qualifications-working-oshc-services>.

¹⁶⁴ ACECQA, *Qualifications for working in OSHC services*, <https://www.acecqa.gov.au/qualifications-0/qualification-requirements/qualifications-working-oshc-services>

¹⁶⁵ ACECQA, *First aid qualifications & training*, <https://www.acecqa.gov.au/qualifications-0/qualification-requirements/first-aid-qualifications-training>.

¹⁶⁶ ACECQA, *First aid qualifications & training*, <https://www.acecqa.gov.au/qualifications-0/qualification-requirements/first-aid-qualifications-training>.

- family day care educators
- other staff, volunteers and students.¹⁶⁷

2.121 The training includes the Foundations for Child Safety module, which is now available, and an Advanced module, which will be available from July 2026. All staff must recomplete the foundation training every 2 years.¹⁶⁸

2.122 From 27 February 2026, nominated supervisors, persons in day-to-day charge of a service, staff members and volunteers, including students, must complete child protection training. There are no national qualification requirements for child protection training. Instead, each state and territory specifies what qualification satisfies the child protection training requirement.¹⁶⁹

2.123 In NSW, the following people have additional child protection training requirements under Section 162A of the Children (Education and Care Services) National Law and in line with the Government Protocol:

- nominated supervisors
- persons in day-to-day charge
- family day care co-ordinators.¹⁷⁰

2.124 Other relevant persons including approved providers, educators, employees, contractors and volunteers can meet their child protection training requirements by completing the prescribed national child safety training required under Section 162B of the National Law.¹⁷¹

¹⁶⁷ NSW Government Education, *Child protection and child safety training requirements*, (24 April 2026) <https://education.nsw.gov.au/early-childhood-education/regulation-and-compliance/regulation-assessment-and-rating/child-safety/child-protection-training-requirements>

¹⁶⁸ NSW Government Education, *Child protection and child safety training requirements*, (24 April 2026) <https://education.nsw.gov.au/early-childhood-education/regulation-and-compliance/regulation-assessment-and-rating/child-safety/child-protection-training-requirements>

¹⁶⁹ NSW Government Education, *Child protection and child safety training requirements*, (24 April 2026) <https://education.nsw.gov.au/early-childhood-education/regulation-and-compliance/regulation-assessment-and-rating/child-safety/child-protection-training-requirements>

¹⁷⁰ NSW Government Education, *Child protection and child safety training requirements*, (24 April 2026) <https://education.nsw.gov.au/early-childhood-education/regulation-and-compliance/regulation-assessment-and-rating/child-safety/child-protection-training-requirements>

¹⁷¹ ACECQA, *Child Safety and Child Protection Training Requirements*, <https://www.acecqa.gov.au/child-safety-and-child-protection-training-requirements>

Growing concerns about the early childhood education and care sector

2.125 This section outlines media reporting and criminal matters that have increased community awareness and concerns of systemic issues in the ECEC sector. These include:

- high profile criminal matters involving child abuse by childcare workers
- the release of two documentaries relating to the ECEC sector by the ABC's *Four Corners* program.

High profile matters involving child abuse by childcare workers

2.126 In 2023 and 2025, there were two high-profile arrests of childcare workers for the abuse of children at ECEC services. These matters involve numerous alleged (or proven) offences against multiple children, across many ECEC services over lengthy periods of time.¹⁷²

2.127 Ashley Paul Griffith, a former childcare worker, was arrested and charged with 1,623 child abuse offences against 91 children in August 2022. Operation Tenterfield was the Australian Federal Police investigation (alongside the NSW Police Force and Queensland Police Service) following the arrest of Mr Griffith. The offences were alleged to have occurred in Brisbane, Sydney and overseas, between 2007 and 2022. Mr Griffith was sentenced to life in prison for the abuse of 69 girls while working in childcare.¹⁷³

2.128 Joshua Dale Brown was arrested in May 2025, and at the time of writing is in custody in Victoria.¹⁷⁴ He has been charged with a number of sexual offences against children while working at various childcare centres across Melbourne. He is said to have worked at 23 childcare centres between January 2017 and May

¹⁷² Media release, Australian Federal Police, NSW Police Force and Queensland Police Service, 'Man charged with rape and sexual assaults at childcare centres', 1 August 2023; Victoria Government, *Investigation of alleged incidents in childcare centres*, Victoria Government (4 December 2025) <https://www.vic.gov.au/childcare-centres-investigation>.

¹⁷³ Media release, Australian Federal Police, NSW Police Force and Queensland Police Service, 'Man charged with rape and sexual assaults at childcare centres', 1 August 2023; Antonia O'Flaherty, 'Paedophile childcare worker Ashley Griffin to appeal life sentence', *ABC News*, 15 January 2025.

¹⁷⁴ Lana Lam, 'Melbourne ex-childcare worker charged with more child rape offences', *BBC*, 4 December 2025.

2025.¹⁷⁵ At the time of writing, Mr Brown has been charged with 156 offences relating to the abuse of children.¹⁷⁶

2.129 David William James created child abuse material while working at six OOSH services in Sydney's north and city centres between April 2021 and May 2024. James was charged with 31 charges, including 17 counts related to the production of child abuse material and seven counts of doing a sexual act with a child that is filmed for child abuse material. In December 2025, James pleaded guilty to 11 charges, including producing and possessing child abuse material, and performing sexual acts in the presence of children to film them.¹⁷⁷

Four Corners program

2.130 The ABC's *Four Corners* program released two stories relating to the ECEC sector:

- Betrayal of Trust: Australia's Childcare Crisis – aired 17 March 2025¹⁷⁸
- Hunting Ground – aired 27 October 2025.¹⁷⁹

2.131 'Betrayal of Trust: Australia's Childcare Crisis' raised systemic issues within the childcare sector, which has led to cases of child abuse, neglect and injury. It also exposed gaps in childcare safety and accountability for providers of ECEC services, and that the significant growth in the childcare industry as a profitable sector often means financial gain is prioritised over child welfare.¹⁸⁰

2.132 'Hunting Ground' revealed the true scale of sexual abuse in Australia's childcare sector, suggesting it is an endemic issue highlighting over 100 cases of alleged paedophiles working (or who have worked) in childcare. The story reports how

¹⁷⁵ Victoria Government, *Investigation of alleged incidents in childcare centres*, Victoria Government (4 December 2025) <https://www.vic.gov.au/childcare-centres-investigation>.

¹⁷⁶ Cait Kelly, 'Accused childcare paedophile Joshua Dale Brown charged with 83 new offences', *The Guardian*, 4 December 2025.

¹⁷⁷ Media Release, AFP News Centre, 'Sydney man charged with allegedly producing child abuse material at six out-of-school hours care services', 31 July 2025, <https://www.afp.gov.au/news-centre/media-release/sydney-man-charged-allegedly-producing-child-abuse-material-six-out>; Jamie McKinnell, 'Sydney out-of-school-hours care worker David James charged with child abuse offences', *ABC News online*, 31 July 2025, <https://www.abc.net.au/news/2025-07-31/david-james-charged-sexual-assault-children-sydney-school/105582882>

¹⁷⁸ *Four Corners*, ABC, 'Betrayal of Trust: Australia's Childcare Crisis', Adele Ferguson, 17 March 2025.

¹⁷⁹ *Four Corners*, ABC, 'Hunting Ground', Adele Ferguson, 27 October 2025.

¹⁸⁰ *Four Corners*, ABC, 'Betrayal of Trust: Australia's Childcare Crisis', Adele Ferguson, 17 March 2025.

with high staff turnover, poor training, lax supervision, and poor regulatory oversight and enforcement, predators are able to exploit and harm children.¹⁸¹

Reviews of the early childhood education and care sector

2.133 This section outlines some key reviews and reports relating to the ECEC sector (or child safety) across Australia. It considers some of the key recommendations made in the reports, and the relevant government responses. The reviews and reports outlined include:

- Independent review into the NSW Early Childhood Education and Care Regulatory Authority
- Review of Child Safety Arrangements under the NQF
- A path to universal early childhood education and care inquiry report
- Rapid Child Safety Review
- Royal Commission into Institutional Responses to Child Sexual Abuse.

2.134 In the years leading up to the inquiry, there have been several inquiries, reports, royal commissions and reviews into the ECEC sector, including in relation to the provision of services, workforce pressures, child safety concerns, and the availability, affordability, quality and equity of services. These include:

- The ACCC's 2023 Inquiry into the market for the supply of childcare services, which made findings and recommendations related to the impact of the Cheaper Child Care reforms, prices, costs, profits, competition within childcare markets and subsidies and price regulation models.¹⁸²
- The South Australian Royal Commission into Early Childhood Education and Care, which was established on 16 October 2022 and officially concluded on Thursday 31 August 2023. The Royal Commission inquired into:
 - The extent to which South Australian families are supported in the first 1000 days of a child's life, focused on opportunities to further leverage early childhood education and care to enable equitable and improved outcomes for South Australian children.
 - How universal quality preschool programs for three and four year olds can be delivered in South Australia, including addressing considerations of accessibility, affordability, quality and how to achieve universality for both age cohorts. Consideration of universal

¹⁸¹ *Four Corners*, ABC, 'Hunting Ground', Adele Ferguson, 27 October 2025.

¹⁸² Australian Consumer and Competition Commission, *Childcare inquiry 2023*, <https://www.accc.gov.au/inquiries-and-consultations/finalised-inquiries/childcare-inquiry-2023>

three-year old preschool should be undertaken with a view to achieving this commencing in 2026.

- How all families can have access to out of school hours care at both preschool and primary school ages, including considerations of accessibility in all parts of the state, affordability and quality in public and private settings.¹⁸³

2.135 The Royal Commission heard from parents and caregivers from diverse backgrounds, experts in early childhood development, service providers in the first 1000 days, leaders of early childhood education and care services, relevant unions, and providers of Out of School Hours Care.¹⁸⁴

Independent review into the NSW Early Childhood Education and Care Regulatory Authority

2.136 On 25 February 2025, the NSW Deputy Premier commissioned Mr Chris Wheeler PSM, Former NSW Deputy Ombudsman, to conduct an independent review into the NSW Early Childhood Education and Care Regulatory Authority (Wheeler Review). The purpose of the Wheeler Review was to ensure the NSW ECEC RA could achieve its core purposes. The Wheeler Review was received by the government on 31 May 2025 and released on 26 June 2025.¹⁸⁵

2.137 The Wheeler Review made 12 recommendations. Key recommendations included:

- the protection of the rights and best interests of the child be enshrined as the paramount consideration of the NSW ECEC RA in decision making
- the government establish an independent regulator
- there be legislative amendment to compel a service to display their compliance history alongside quality ratings
- the regulator be allocated resources to publish the maximum amount of information about its compliance actions as legally permitted
- whistleblower protections be improved

¹⁸³ Royal Commission into Early Childhood Education and Care, *What is the Royal Commission?* <https://royalcommissionecec.sa.gov.au/what-is-the-royal-commission/about>

¹⁸⁴ Royal Commission into Early Childhood Education and Care, *What is the Royal Commission?* <https://royalcommissionecec.sa.gov.au/what-is-the-royal-commission/about>

¹⁸⁵ NSW Government Education, *Independent review into the NSW Early Childhood Education and Care Regulatory Authority*, (2 July 2025) <https://education.nsw.gov.au/about-us/strategies-and-reports/our-reports-and-reviews/independent-review-into-the-nsw-ecec-regulatory-authority>.

- consideration be given to requiring CCTV in certain services, linked back to the regulator
- a one-stop-shop for mandatory reports by ECEC entities be introduced.¹⁸⁶

NSW Government response

2.138 The NSW Government released its response to the Wheeler Review on 26 June 2025, by way of announcing a reform package. Some of the key reforms announced include:

- establishing an independent ECEC Regulator (separate from the NSW Department of Education)
- introducing notification requirements to families when a service is being investigated for breaches of the National Law, or when a criminal investigation is underway
- requiring the regulator to publish all relevant information about service quality and safety performance, taking into account what is legally permitted under the National Law
- introducing a CCTV trial, allowing the regulator to require a service install CCTV cameras controlled by the regulator.¹⁸⁷

2.139 As part of this reform package, the NSW Government announced amendments to the National Law. These were implemented through the *Children (Education and Care Services National Law Application) Amendment Act 2025*. Some of these reforms included:

- enshrining the paramountcy of children's rights and interests across the sector
- enabling more compliance information about services to be published
- introducing an inappropriate conduct offence
- increasing powers of the regulator, including to suspend service quality ratings during investigations

¹⁸⁶ NSW Government Education, *Independent review into the NSW Early Childhood Education and Care Regulatory Authority - Recommendations*, (2 July 2025) <https://education.nsw.gov.au/about-us/strategies-and-reports/our-reports-and-reviews/independent-review-into-the-nsw-ecec-regulatory-authority/recommendations#Recommendation0>.

¹⁸⁷ Answers to supplementary questions, Mr Murat Dizdar, Secretary, NSW Department of Education and Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes, NSW Department of Education, 16 September 2025, pp 4-5; Media Release, Hon Courtney Houssos MLC, Acting Minister for Education and Early Learning, 'Putting children first: reform for early childhood sector', 26 June 2025.

- preventing service waivers being granted in relation to the requirements that premises be designed to facilitate supervision
- improved whistleblower protections
- removing availability of NCAT appeals for some decisions made based on unacceptable risk to children.¹⁸⁸

Review of Child Safety Arrangements under the National Quality Framework

2.140 The Review of Child Safety Arrangements under the National Quality Framework (CSA Review) commenced in May 2023, and was finalised in December 2023. Its purpose was to identify safeguards to support providers of ECEC services to protect children, with a focus on reducing harm, abuse and neglect.¹⁸⁹ This review was led by ACECQA, and its recommendations are to all governments.

2.141 The CSA Review made 16 recommendations under two broad categories, additional safeguards under the NQF and inter-related child protection mechanisms.¹⁹⁰ Some of the recommendations for additional safeguards under the NQF included:

- enshrining 'Child Safe Culture' within the NQS and ensuring the safe online environment provisions in the National Regulations are explicitly mentioned in relevant NQS quality areas
- removing waivers where services are non-compliant with requirements for premises to be designed to facilitate supervision of children at all times
- prohibiting workers from having personal devices that can take images or videos while with children, and require providers to allow AOs or police access to their CCTV
- introducing an 'inappropriate interactions' offence.¹⁹¹

¹⁸⁸ Answers to supplementary questions, Mr Murat Dizdar, Secretary, NSW Department of Education and Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes, NSW Department of Education, 16 September 2025, pp 4-5; NSW Government Education, *Child safety reforms pass the NSW Parliament*, (30 October 2025) <https://education.nsw.gov.au/early-childhood-education/leadership/news/child-safety-reforms-pass-the-nsw-parliament>.

¹⁸⁹ ACECQA, *Review of Child Safety Arrangements under the National Quality Framework - Executive Summary - Findings and recommendations for the NQF and inter-related child safety mechanisms*, December 2023, p 2.

¹⁹⁰ ACECQA, *Review of Child Safety Arrangements under the National Quality Framework - Executive Summary - Findings and recommendations for the NQF and inter-related child safety mechanisms*, December 2023, p 5.

¹⁹¹ ACECQA, *Review of Child Safety Arrangements under the National Quality Framework - Executive Summary - Findings and recommendations for the NQF and inter-related child safety mechanisms*, December 2023, pp 5-9.

2.142 The inter-related child protection mechanisms recommendations noted the broad context of child protection outside the NQF. Some of the recommendations included:

- continued support of the Commonwealth Attorney-General's Department to assist organisations to embed the National Principles¹⁹² into legislation, policies and practices
- mandatory training on child safe standards, principles and practices during the application process for a WWCC
- enabling information sharing and streamlining reporting between jurisdictions to reduce over-reporting and to ensure correct agencies respond to reports
- conducting a supplementary child safety review within two years, informed by an AFP intelligence analysis of Operation Tenterfield.¹⁹³

Government response

2.143 All governments opened public consultation from 5 May to 11 June 2025 on regulatory and non-regulatory options to improve child safety in the ECEC sector following the release of the CSA Review.¹⁹⁴ Education Ministers met in August 2025 and agreed to a range of reforms.¹⁹⁵ Some of the key agreed reforms included:

- establishing a National Educator Register¹⁹⁶
- ensuring safe use of digital devices in ECEC services
- establishing an 'inappropriate conduct' offence

¹⁹² The National Principles for Child Safe Organisations set out a nationally consistent approach to promoting a culture of child safety and wellbeing within organisations: Australian Government National office for Child Safety, *National Principles for Child Safe Organisation*, <https://www.childsafety.gov.au/resources/national-principles-child-safe-organisations>.

¹⁹³ ACECQA, *Review of Child Safety Arrangements under the National Quality Framework – Executive Summary – Findings and recommendations for the NQF and inter-related child safety mechanisms*, December 2023, p 10.

¹⁹⁴ Australian Government Department of Education, *National Child Safety Review – have your say*, (29 April 2025) <https://www.education.gov.au/early-childhood/announcements/national-child-safety-review-have-your-say>.

¹⁹⁵ Australian Government Department of Education, *Outcome on public consultation for the Child Safety Review*, (22 August 2025) <https://www.education.gov.au/early-childhood/about/quality-and-safety/national-quality-framework/outcome-public-consultation-child-safety-review#toc-key-reforms-at-a-glance>.

¹⁹⁶ Australian Government Department of Education, *Joint action on strengthening the safety and quality of early childhood education and care across Australia*, (15 September 2025) <https://www.education.gov.au/early-childhood/announcements/joint-action-child-safety>.

- improving information sharing between regulators, approved providers and recruitment agencies and broadening regulatory responses for addressing misconduct
- requiring individuals to hold a valid WWCC before starting work in an ECEC service.¹⁹⁷

2.144 ACECQA has also developed Child Safe Guides to support the sector to implement the first tranche of regulatory changes in response to the CSA Review.¹⁹⁸

2.145 Following the 2023 review, ACECQA completed a rapid national assessment of child safety practices and safeguarding, which identified areas for reform including addressing "under the roof" ratio loopholes to strengthen supervision and child protection, improving reporting for incidents, mandatory safety training, a national educator register and prohibiting vaping in services.¹⁹⁹

2.146 In August 2025, Education Ministers published a Decision Regulation Impact Statement (DRIS) which outlined a package of agreed reforms.²⁰⁰ The reforms were intended to 'address critical areas of child safety, including digital device use, staff conduct, and physical environments.'²⁰¹ This included changes to the Education and Care Services National Law (National Law) and the Education and Care National Regulations (Regulations), and to the information and systems provided by ACECQA to support the sector and public.²⁰²

2.147 National legislation to strengthen child safety passed Victorian Parliament in December 2025. The Early Childhood Legislation (Child Safety) Amendment Bill

¹⁹⁷ Australian Government Department of Education, *Outcome on public consultation for the Child Safety Review*, (22 August 2025) <https://www.education.gov.au/early-childhood/about/quality-and-safety/national-quality-framework/outcome-public-consultation-child-safety-review#toc-key-reforms-at-a-glance>

¹⁹⁸ Submission 83, Australian Children's Education and Care Quality Authority, p 5.

¹⁹⁹ ACECQA, *Rapid Assessment of Child Safe Practices, December 2025*, <https://www.acecqa.gov.au/sites/default/files/2026-04/Rapid%20assessment%20of%20child%20safe%20practices%20%284%29.pdf>

²⁰⁰ Australian Government Department of Education, *National Child Safety Review Decision Regulation Impact Statement* (8 September 2025) <https://www.education.gov.au/early-childhood/resources/national-child-safety-review-decision-regulation-impact-statement>

²⁰¹ Australian Government Department of Education, *Joint action on strengthening the safety and quality of early childhood education and care across Australia*, 22 August 2025, <https://www.education.gov.au/early-childhood/announcements/joint-action-child-safety>

²⁰² Australian Government Department of Education, *Joint action on strengthening the safety and quality of early childhood education and care across Australia*, 22 August 2025, <https://www.education.gov.au/early-childhood/announcements/joint-action-child-safety>

2025 gave effect to key recommendations from the Child Safety Review and national actions agreed by Education Ministers in August and October 2025.²⁰³

A path to universal early childhood education and care inquiry report

2.148 The Australian Government requested the Australian Productivity Commission conduct an inquiry into the ECEC sector in Australia, aimed at identifying ways to build a universal ECEC system. The inquiry commenced on 1 March 2023, and the report 'A path to universal early childhood education and care' (the report) was sent to the Australian Government on 28 June 2024 and publicly released on 18 September 2024.²⁰⁴

2.149 The report recommended all governments should work towards a high-quality universal ECEC system that is accessible, equitable and inclusive of all children. To achieve this, the report made a series of findings and recommendations, and presented a roadmap to universal ECEC. Some examples of the proposed reforms are as follows:

- that the government address affordability barriers to ECEC, as children experiencing disadvantage and vulnerability benefit the most from ECEC services, yet are least likely to attend
- that the Child Care Subsidy (CCS) activity test should be removed (which links the amount a family works, studies or volunteers to the amount of CCS they receive)
- families who choose to use ECEC services should be able to access at least 30 hours (or three days per week) of high-quality ECEC for 48 weeks of the year
- establishing an ECEC Inclusion Fund, which allocates needs-based funding to CCS-approved ECEC services
- ensuring a sustainable funding model for Aboriginal community-controlled organisations
- introducing an independent ECEC Commission to support, advise and monitor governments' progress towards universal access to ECEC.²⁰⁵

²⁰³ Early Childhood Legislation Amendment (Child Safety) Bill 2025, (Vic).

²⁰⁴ Australian Government Productivity Commission, *A path to universal early childhood education and care Inquiry report – volume 1*, Report no. 106, 28 June 2024; Australian Government Productivity Commission, *Early childhood education and care*, <https://www.pc.gov.au/inquiries-and-research/childhood/report/>.

²⁰⁵ Australian Government Productivity Commission, *A path to universal early childhood education and care Inquiry report – volume 1*, Report no. 106, 28 June 2024..

- 2.150** The Australian Government has not formally responded to the recommendations²⁰⁶ but states it is taking steps towards building a universal ECEC system.²⁰⁷

Rapid Child Safety Review – Victoria

- 2.151** In July 2025, the Victorian Government announced an urgent review into child safety in ECEC settings (the Review), following allegations of sexual assault against children in these settings. The Review considered immediate steps the Victorian Government could take to improve child safety. It took place over six weeks and was conducted by Ms Pam White PSM and Mr Jay Weatherill AO.²⁰⁸ The Review was provided to the Victorian Government on 15 August 2025 and made 22 recommendations. The recommendations are directed at the Victorian Government, Australian Government, or relate to National Law amendments.²⁰⁹
- 2.152** The first set of recommendations encourage the government to take greater responsibility for running the ECEC sector. For example, ensuring the safety, rights and best interests of children are paramount considerations for all staff in the sector, and establishing a National Early Childhood Reform Commission.²¹⁰
- 2.153** To prevent predators from entering the ECEC system, the Review recommended a National Early Childhood Worker Register. It also made a series of recommendations to amend the WWCC framework and introduce a shared intelligence and risk assessment capability and bring child safety risk information together in one place.²¹¹
- 2.154** The Review made a series of recommendations to identify and exclude predators that are able to enter the ECEC system. These included establishing an independent Regulator (separate from the Victorian Department of Education), increasing regulator visits and penalties for offences.²¹²

²⁰⁶ Claudia Long, 'Early childhood education minister refuses to say if independent inquiry into childcare standards will happen', *ABC News*, 1 December 2025.

²⁰⁷ Australian Government, Department of Education, *Strategy and evaluation* (5 January 2026) <https://www.education.gov.au/early-childhood/about/strategy-and-evaluation>

²⁰⁸ Jay Weatherill AO and Pam White PSM, *Rapid Child Safety Review*, 15 August 2025, p 1.

²⁰⁹ Jay Weatherill AO and Pam White PSM, *Rapid Child Safety Review*, 15 August 2025, pp 19-20.

²¹⁰ Jay Weatherill AO and Pam White PSM, *Rapid Child Safety Review*, 15 August 2025, p 5.

²¹¹ Jay Weatherill AO and Pam White PSM, *Rapid Child Safety Review*, 15 August 2025, pp 6-10.

²¹² Jay Weatherill AO and Pam White PSM, *Rapid Child Safety Review*, 15 August 2025, pp 10-12.

- 2.155** In order to improve the centre environment, the Review recommended improving staffing and line of sight in ECEC services, and trialing the use of CCTV in ECEC settings as a regulatory and investigative tool.²¹³

Victorian Government response

- 2.156** The Victorian Government responded in August 2025 by accepting all 22 recommendations of the Review.²¹⁴ The timeframe for actioning the recommendations varies. Some were actioned immediately, others may take up to 24 months. Other recommendations require ongoing work, are subject to national timeframes, or are dependent on legislation progressing through the Victorian Parliament.²¹⁵

Victorian parliamentary inquiry

- 2.157** In July 2025, the Victorian Parliament's Legislative Council passed a motion to establish a select committee on the early childhood education and care sector in Victoria. The Select Committee sought to inquire into and report on the early childhood education and care sector in Victoria including the:

adequacy of current quality and safety standards, the quality and oversight of educator training, professional development and qualifications, the impacts of Victoria's predominantly privatised system, the impact of workforce conditions, the adequacy of staff-to-child ratio regulations, whether there is sufficient oversight of the Department of Education and any other matter in relation to the adequacy, implementation, compliance and/or enforcement of child safety standards and regulations in the sector.²¹⁶

- 2.158** The inquiry has held five public hearings between December 2025 and March 2026, and is due to present a final report by 30 July 2026.²¹⁷

²¹³ Jay Weatherill AO and Pam White PSM, *Rapid Child Safety Review*, 15 August 2025, p 13.

²¹⁴ Victorian Government, *Victorian Government Response to Rapid Child Safety Review*, <https://www.vic.gov.au/sites/default/files/2025-09/Victorian-Government-response-to-Rapid-Child-Safety-Review.pdf>, p 1.

²¹⁵ Victorian Government, *Victorian Government Response to Rapid Child Safety Review*, <https://www.vic.gov.au/sites/default/files/2025-09/Victorian-Government-response-to-Rapid-Child-Safety-Review.pdf>, pp 2-10.

²¹⁶ Parliament of Victoria, Select Committee on the Early Childhood Education and Care Sector in Victoria, *Inquiry into the Early Childhood Education and Care Sector in Victoria*, <https://www.parliament.vic.gov.au/earlyeducation>

²¹⁷ Parliament of Victoria, Select Committee on the Early Childhood Education and Care Sector in Victoria, *Inquiry into the Early Childhood Education and Care Sector in Victoria*, <https://www.parliament.vic.gov.au/earlyeducation>

Royal Commission into Institutional Responses to Child Sexual Abuse

- 2.159** The Royal Commission into Institutional Responses to Child Sexual Abuse (the Royal Commission) was announced in November 2012 by Julia Gillard, former Prime Minister of Australia. The Commissioners released four final reports – Criminal Justice, Redress and Civil Litigation, Working with Children Checks and a Final Report. The Final Report was presented to the Governor-General in December 2017, concluding the Royal Commission. The Commissioners made a total of 409 recommendations across the four reports.²¹⁸
- 2.160** In the Criminal Justice report, the Commissioners made a number of recommendations to reform the criminal justice system to meet three key objectives:
- to operate in the interests of seeking justice for society (including complainant and accused persons)
 - to ensure criminal justice responses are available for victims and survivors
 - to ensure that victims and survivors are supported when seeking criminal justice responses.²¹⁹
- 2.161** In the report on Redress and Civil Litigation, the Commissioners made recommendations for effective redress for survivors of child sexual abuse in institutions. One of the key recommendations was the establishment of a single national redress scheme. It also made recommendations to improve civil litigation as a means to seek justice for survivors.²²⁰
- 2.162** The Working with Children Checks report highlighted that WWCC schemes across Australia were inconsistent, complex and duplicative. It also raised that there was insufficient information sharing and monitoring of WWCC holders. Therefore, the Commissioners made a number of recommendations to strengthen the protection of children through WWCCs, including the implementation of national standards for WWCC schemes.²²¹
- 2.163** The Final Report made recommendations which sought to make institutions safer for children. These recommendations cover a broad breadth of topics, including the nature and cause of institutional abuse, improving responses and

²¹⁸ Media release, Royal Commission into Institutional Responses to Child Sexual Abuse, 'Final Report Released', 15 December 2017.

²¹⁹ Royal Commission into Institutional Responses to Child Sexual Abuse, *Criminal justice*, <https://www.childabuseroyalcommission.gov.au/criminal-justice>.

²²⁰ Royal Commission into Institutional Responses to Child Sexual Abuse, *Redress and civil litigation*, <https://www.childabuseroyalcommission.gov.au/redress-and-civil-litigation>.

²²¹ Royal Commission into Institutional Responses to Child Sexual Abuse, *Working With Children Checks*, <https://www.childabuseroyalcommission.gov.au/working-children-checks>.

reporting of abuse and recordkeeping and information sharing. They also cover child abuse in particular institutions, including residential institutions, out-of-home care, schools, hobby groups, detention environments and religious institutions.²²²

Government response

- 2.164** All governments in Australia responded to the Royal Commission. This section considers the Australian Government and New South Wales Government responses.
- 2.165** The Australian Government accepted, or accepted in principle, most recommendations directed to it. It did not reject any recommendations, although it did 'note' or list some for 'further consideration'. Some recommendations accepted include the creation of the National Redress Scheme, incorporating the Royal Commission's 'Child Safe Standards' into the National Principles and the creation of a National Office for Child Safety.²²³
- 2.166** The NSW Government accepted, or accepted in principle, most recommendations of the Royal Commission. It did 'note' or list for 'further consideration' a number of recommendations. The NSW Government opted into the National Redress Scheme and introduced a range of child sexual abuse offences as recommended in the Royal Commission.²²⁴ The implementation of the recommendations from the Royal Commission is ongoing.²²⁵
- 2.167** In August 2025, the Education and Employment References Committee in the Australian Parliament initiated a Senate inquiry into the quality and safety of Australia's early childhood education and care system. The Senate inquiry sought to investigate the following:
- child safety in ECEC services across the country
 - the effectiveness of Australia's regulatory system
 - provider compliance with the quality standards and legislative requirements, including compliance with workplace laws
 - the impact of ECEC providers' employment practices on quality and safety

²²² Media release, Royal Commission into Institutional Responses to Child Sexual Abuse, 'Final Report Released', 15 December 2017.

²²³ Australian Government, *Australian Government Response to the Royal Commission into Institutional Responses to Child Sexual Abuse*, 2018, pp v; vi; 7; 11.

²²⁴ NSW Government, *NSW Government response to the Royal Commission into Institutional Responses to Child Sexual Abuse*, June 2018.

²²⁵ NSW Government, *NSW Government response to the Royal Commission into Institutional Responses to Child Sexual Abuse*, NSW Government (29 December 2022) <https://www.nsw.gov.au/nsw-government/engage-us/response-to-royal-commission>.

- the role of worker compensation and pay on quality and safety
- the role of private for-profit incentives and their impact on quality and safety
- transparency within the early childhood education and care system, including access to information and data
- the suitability and flexibility of the funding of early education and care across Australia
- the choice of care options available to parents and families.²²⁶

2.168 The Committee's report was tabled on 31 March 2026. It made 23 recommendations, including the following:

- that the Australian Government with the state and territory governments develop clear, consistent timeframes for regulators to respond to allegations of concerning behaviour and breaches of the National Law and regulations (Recommendation 3)
- that the Australian Government, in consultation with state and territory governments, consider expanding access to the National Early Childhood Worker Register to enable prospective employers to undertake appropriate pre-employment checks (Recommendation 4)
- that the Australian Government review how national child safety training is delivered and assessed in early childhood education and care sector to ensure it drives genuine engagement with safeguarding (Recommendation 6)
- that, as part of its rapid review, the Australian Children's Education and Care Quality Authority recommend that all jurisdictions amend their regulatory framework to:
 - Ensure the practice of active rather than passive supervision, to minimise opportunities for unsafe behaviours; and
 - Address the underlying operational and regulatory pressures that are contributing to reduced educator-to-child ratios during sleep and rest periods in early childhood education and care services. (Recommendation 8)
- the Australian Government through Education Minister Meetings or through a request to ACECQA, increase the frequency of authorised officer spot check visits to early childhood education and care services, and ensure that

²²⁶ Parliament of Australia, Education and Employment References Committee, Inquiry into Quality and safety of Australia's early childhood education and care system, Terms of Reference, https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Education_and_Employment/ECQCqualitysafety

authorised officers receive appropriate training, including in early childhood and care practice (Recommendation 9)

- that the Australian Government work with the regulators of both vocational education and training and higher education to ensure high-quality educators and early learning teachers are entering the profession (Recommendation 12)
- that the Australian Government with the state and territory governments urgently commission an independent review of the National Quality Framework, focusing on how services are assessed against the National Quality Standard and how assessments can be made more accurate, transparent and consistent (Recommendation 13)
- that the Australian Government, in consultation with state and territory governments, introduce regulatory mechanisms to prohibit early childhood education and care providers from expanding or establishing additional services where they are not consistently meeting the National Quality Standard across their existing services (Recommendation 16)
- that the Australian Government as a matter of urgency, review its support for children with additional needs, including the existing Inclusion Support Program and the impacts of the Thriving Kids program, with a view to providing funding certainty for families and early childhood education and care providers (Recommendation 17)
- that the Australian Government together with the state and territory governments discuss the matter of inflated rental fees and license fees, including those charged by public primary schools, for early childhood education and care services at a future Education Ministers Meeting and consider potential measures to address this issue (Recommendation 19)
- that the Australian Government, in consultation with state and territory governments, review educator-to-child ratio requirements in Outside School Hours Care to ensure they are calibrated to the developmental and supervision needs of school-aged children (Recommendation 22)
- that the Australian Government, in consultation with state and territory governments, undertake a comprehensive review of the appropriateness of the National Quality Framework as it applies to Outside School Hours Care, with a view to developing a fit-for-purpose regulatory framework that reflects the distinct nature of school-aged care (Recommendation 23).²²⁷

²²⁷ Standing Committee on Education and Employment, Australian Senate, *Quality and safety of Australia's early childhood education and care system* (2026) https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Education_and_Employment/ECCEQualitySafety/Report

Committee comment

- 2.169** The early childhood education and care (ECEC) sector has been subject to numerous reviews. The committee acknowledges that acting on recommendations to these reviews can be dependent on national agreement to reform. Nonetheless, the committee is frustrated that governments have often delayed implementing reforms which can prevent harm to children in this sector. For example, the Royal Commission's recommendations in relation to WWCCs were critical reforms that, if implemented previously, could have prevented perpetrators of child abuse from gaining employment in Australian ECEC settings.
- 2.170** It is clear to the committee that the nationally harmonised system of child safety laws and regulations has meant that governments have been too slow to act upon recommendations made in reviews of the ECEC sector, which has prevented must needed reforms designed to protect children from harm.
- 2.171** In addition, the committee finds that legislative reform in New South Wales was further delayed due to the decision to refer the Children (Education and Care Services National Law Application) Amendment Bill 2025 to Portfolio Committee No. 3 for inquiry and report.

Finding 1

The nationally harmonised system of child safety laws and regulations has meant that governments have been too slow to act on recommendations made in reviews of the early childhood education and care sector, which has prevented or unduly delayed the implementation of much needed reforms designed to protect children from harm.

Finding 2

That legislative reform in New South Wales was further delayed due to the decision to refer the Children (Education and Care Services National Law Application) Amendment Bill 2025 to Portfolio Committee No. 3 for inquiry and report.

-
- 2.172** In light of the number of serious issues raised in the course of this inquiry and the ongoing systemic problems identified in prior reviews and inquiries, the committee agrees with the need for a national ECEC commission as recommended by the Productivity Commission.

Recommendation 1

That the NSW Government advocate for and participate in the creation of a National Early Childhood Education and Care Commission, as recommended by the Productivity Commission. This body should have responsibility for matters including:

- national-level data analysis and oversight of system performance
 - leading national reforms in areas such as Working with Children Checks and other regulatory safeguards
 - stewarding supply and infrastructure planning to limit the growth of unscrupulous providers, ensure services meet demand and community expectations around quality, safety and inclusion.
-

Chapter 3 Provider models in the early childhood education and care sector

This chapter will examine the distribution of and changes within early childhood education and care settings and provider models across New South Wales and Australia. It then reviews the business models of large for-profit providers, particularly those who gave evidence to the inquiry. The chapter then considers commentary on the increasing role of for-profit providers in the sector, including the role of private equity and the safety and quality of for-profit providers compared with other models. It then outlines evidence about transparency of information about providers. It goes on to examine the relationship between the real estate and early childhood education and care sectors. The chapter then outlines the New South Wales and Australian Government funding and programs available to the sector, and evidence received about the issues and effectiveness of this funding. Finally, it considers commentary about large for-profit providers receiving government subsidies.

Distribution of early childhood education and care settings and provider models

3.1 Chapter 2 outlined the types of early childhood education and care (ECEC) settings, and business models of ECEC providers. This section considers their distribution across New South Wales and Australia. It explains the growth and decline of different types of settings and provider models, and provides commentary from inquiry participants on this.

Number and proportion of early childhood education and care settings and provider models in New South Wales and Australia

3.2 In New South Wales, there are approximately 6,097 ECEC services delivered by about 4,183 providers.²²⁸ This section outlines the number of ECEC settings and provider models across New South Wales. It goes on to consider the proportions of provider models operating ECEC services, and outlines the availability of ECEC services by socioeconomic status and remoteness.

Early childhood education and care settings

3.3 According to the latest ACECQA data, in New South Wales there are approximately 3,660 long day care services, 772 preschool/kindergarten, 1,555 outside school

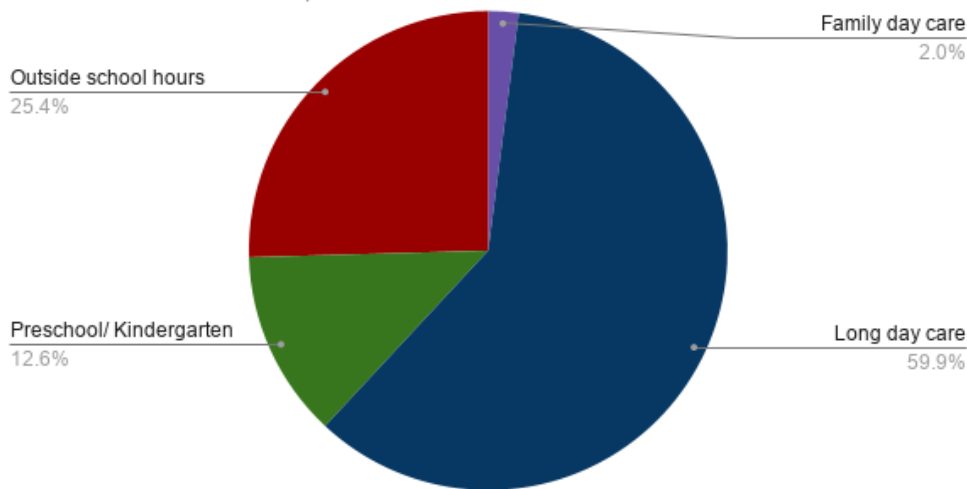
²²⁸ Answers to questions on notice, Mr Murat Dizdar, Secretary and Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes, NSW Department of Education, 16 September 2025, p 8; Submission 83, Australian Children's Education and Care Quality Authority, pp 5-6.

hours care services and 125 family day care services.²²⁹ This is represented by percentage in the following Figure 2.

Figure 2 Type of early childhood education and care setting in New South Wales by percentage²³⁰

NSW - Early childhood education and care settings

Source: ACECQA NQF Snapshot Q4 2025



3.4 According to the latest ACECQA data, in Australia there are approximately 9,575 long day care services, 3,056 preschool/kindergarten, 5,006 outside school hours care services, 388 family day care services and 2 other services.²³¹ This is represented by percentage in the following Figure 3.

²²⁹ ACECQA, *NQF Snapshot Q4 2025, February 2026*, p 7
<https://www.acecqa.gov.au/sites/default/files/2026-02/NQF%20Snapshot%20Q4%202025%20FINAL.PDF>

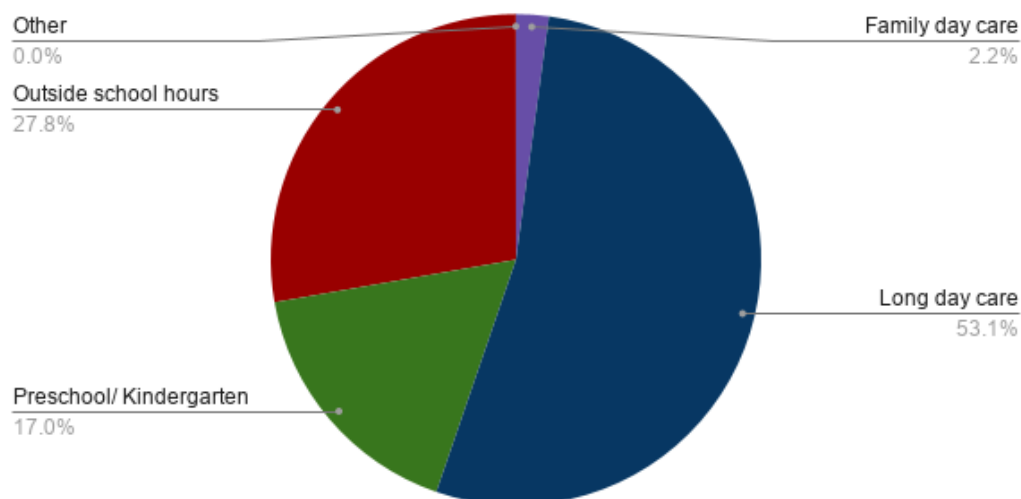
²³⁰ This pie chart is derived from data available in the ACECQA, *NQF Snapshot Q4 2025, February 2026*, p 7.

²³¹ ACECQA, *NQF Snapshot Q4 2025, February 2026*, p 7
<https://www.acecqa.gov.au/sites/default/files/2026-02/NQF%20Snapshot%20Q4%202025%20FINAL.PDF>

Figure 3 Type of early childhood education and care setting in Australia by percentage²³²

Australia - Early childhood education and care settings

Source: ACECQA NQF Snapshot Q4 2025



Early childhood education and care provider models

- 3.5** According to the latest ACECQA data, in New South Wales there are 3,722 private for-profit approved services, 1,261 private not for profit community managed, 547 private not for profit other organisations, 328 state or local government managed, 101 state government school operated, 89 independent school operated and 64 Catholic school operated.²³³
- 3.6** There are 431 for-profit providers that operate multiple services in New South Wales.²³⁴ This is represented by percentage in the following Figure 4.

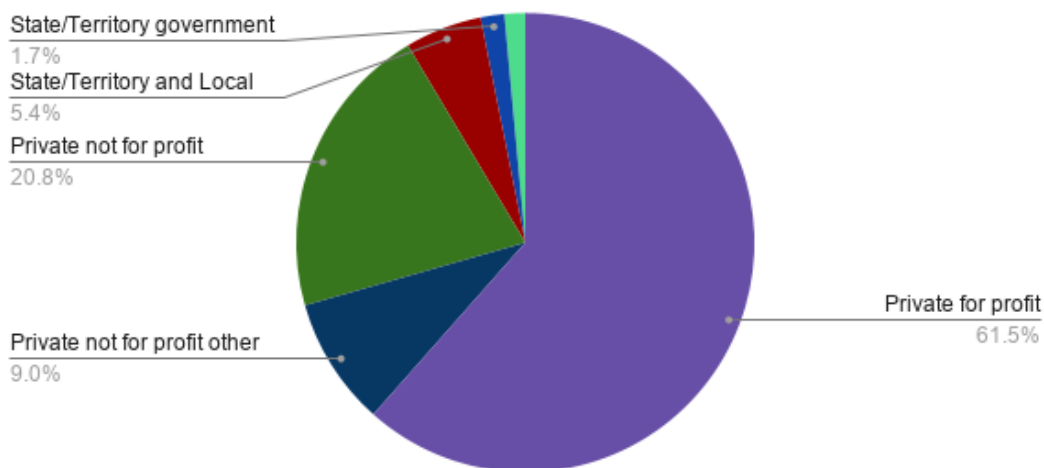
²³² This pie chart is derived from data available in the ACECQA, *NQF Snapshot Q4 2025, February 2026*, p 7.

²³³ See ACECQA, *NQF Data (Q4 2025- data set as at 1 January 2026)*, <https://www.acecqa.gov.au/resources/snapshot-and-reports/nqf-snapshots>

²³⁴ Answers to questions on notice, Mr Murat Dizdar, Secretary and Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes, NSW Department of Education, 16 September 2025, p 8.

Figure 4 ECEC services by provider management in New South Wales²³⁵**NSW - Early childhood education and care services by provider management**

Source: ACECQA NQF Snapshot Q4 2025

***Provider models operating early childhood education and care services***

- 3.7** Approximately 78 per cent of long day care services are operated by for-profit providers in New South Wales.²³⁶ In preschool kindergartens, for-profit providers operate one per cent of services.²³⁷
- 3.8** According to the latest ACECQA data, in Australia there are 9,819 private for-profit approved services, 3,296 private not for profit community managed, 2,421 private not for profit other organisations, 1,122 state or local government managed, 663 state government school operated, 508 independent school operated and 180 Catholic school operated.²³⁸ This is represented by percentage in the following Figure 5.

²³⁵ This pie chart is derived from data available in the ACECQA, *NQF Data (Q4 2025- data set as at 1 January 2026)*, <https://www.acecqa.gov.au/resources/snapshot-and-reports/nqf-snapshots>

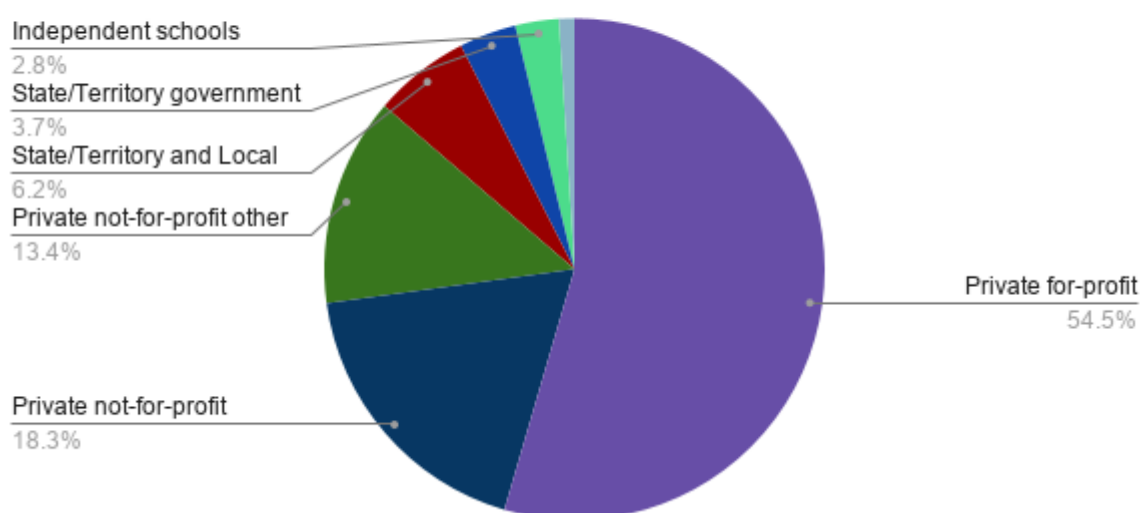
²³⁶ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 6.

²³⁷ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 6.

²³⁸ ACECQA, *NQF Snapshot Q4 2025, February 2026*, p 8 <https://www.acecqa.gov.au/sites/default/files/2026-02/NQF%20Snapshot%20Q4%202025%20FINAL.PDF>

Figure 5 ECEC services by provider management across Australia²³⁹**Australia - Early childhood education and care services by provider management**

Source: ACECQA NQF Snapshot Q4 2025



- 3.9** Across Australia, 77 per cent of long day care services are operated by for-profit providers.²⁴⁰

Availability of long day care places by socioeconomic status and remoteness

- 3.10** The Front Project, a national, philanthropically-funded organisation that works with the early childhood sector, commented that while places in ECEC services have increased since 2013, their distribution by location and socioeconomic status is unequal.²⁴¹
- 3.11** Figure 6 outlines the places available in long day care by socioeconomic status and remoteness. It demonstrates that there are 41 per cent fewer places in low socioeconomic areas compared with high socioeconomic areas. It also shows 27 per cent fewer places in remote and very remote areas compared with major cities.²⁴²

²³⁹ This pie chart is derived from data available in the ACECQA, *NQF Snapshot Q4 2025, February 2026*, p 8.

²⁴⁰ Submission 126, The Front Project, p 20.

²⁴¹ Submission 126, The Front Project, pp 7; 20.

²⁴² Submission 126, The Front Project, p 8.

Figure 6 Long day care places per 100 children by socioeconomic status and remoteness (2024)²⁴³

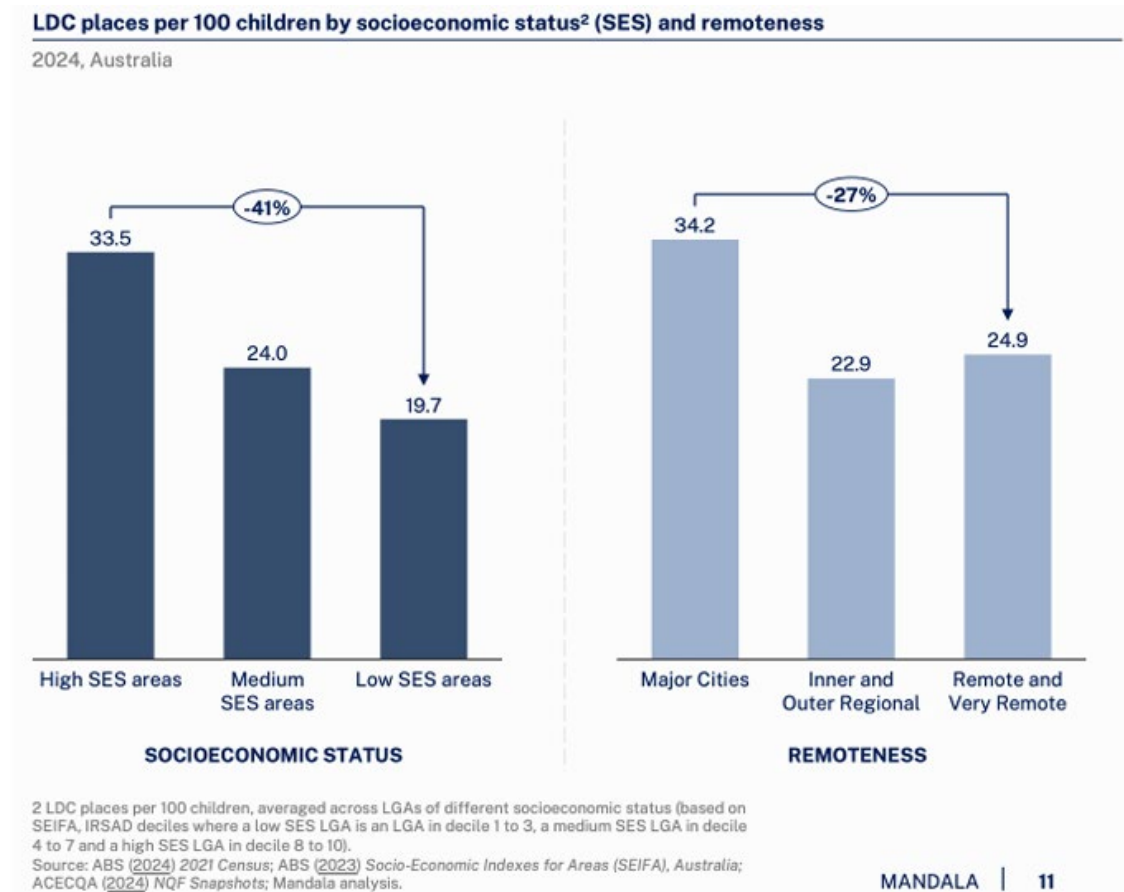


Figure 3: The Front Project (October 2024) [Addressing Market Imbalances to Achieve Quality and Affordable ECEC](#) p11.

Distribution, growth and decline of early childhood education and care sector settings and provider models

3.12 The structure of the sector has changed over the past decade. This section outlines the growth and decline of provider types/services across New South Wales. It also considers the distribution and changes over the last decade in the sector by provider type, remoteness and socioeconomic status.

Growth of for-profit and decline of not-for-profit providers/services

3.13 Between January 2016 and April 2025, for-profit providers accounted for almost all of the growth in long day care.²⁴⁴

²⁴³ Submission 126, The Front Project, p 8.

²⁴⁴ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 7.

3.14 As noted at 3.9 in Australia, 77 per cent of long day care services are operated by for-profit providers.²⁴⁵ This increased from 68 per cent in 2013.²⁴⁶

3.15 Figure 7 shows that the for-profit share of long day care services in New South Wales has increased from 71 per cent in January 2016, to 78 per cent in April 2025, accounting for all growth across this period in long day care services.²⁴⁷

Figure 7 Ownership of early childhood education and care services by for-profit and other management types in New South Wales – 2015 and 2025²⁴⁸

NSW 1 January 2016	For-profit		Other management types		Total		For-profit share of total	
	Services	Places	Services	Places	Services	Places	Services	Places
Long day care	1,976	100,614	814	41,975	2,790	142,589	71%	71%
Preschool kindergarten	34	1,333	767	27,812	801	29,145	4%	5%
NSW 1 April 2025	For-profit		Other management types		Total		For-profit share	
	Services	Places	Services	Places	Services	Places	Services	Places
Long day care	2803	168,611	802	45,392	3,605	214,003	78%	79%
Preschool kindergarten	8	621	762	28,505	770	29,126	1%	2%
Change 2016-2025	For-profit		Other management types		Total		For-profit share of growth	
	Services	Places	Services	Places	Services	Places	Services	Places
Long day care	827	67,997	-12	3417	815	71,414	101%	95%
Preschool kindergarten	-26	-712	-5	693	-31	-19		

Source: Q4 2015 and Q1 2025 data from NQS Time Series.

Distribution and changes in long day care by remoteness and provider type between 2013 and 2024

3.16 As demonstrated by Figure 8, there has been an increase in for-profit long day care centres in major cities and inner and outer regional Australia between 2013 and 2024. However, there has been a small decrease in for-profit long day care centres in this period in remote and very remote Australia. Not-for-profit long day care services have decreased in major cities and inner and outer regional Australia, and increased slightly in remote and very remote Australia. Not-for-profit long day care providers operate most services in remote and very remote Australia, whereas for-profit providers operate most long day care services in major cities.²⁴⁹

²⁴⁵ Submission 126, The Front Project, p 20.

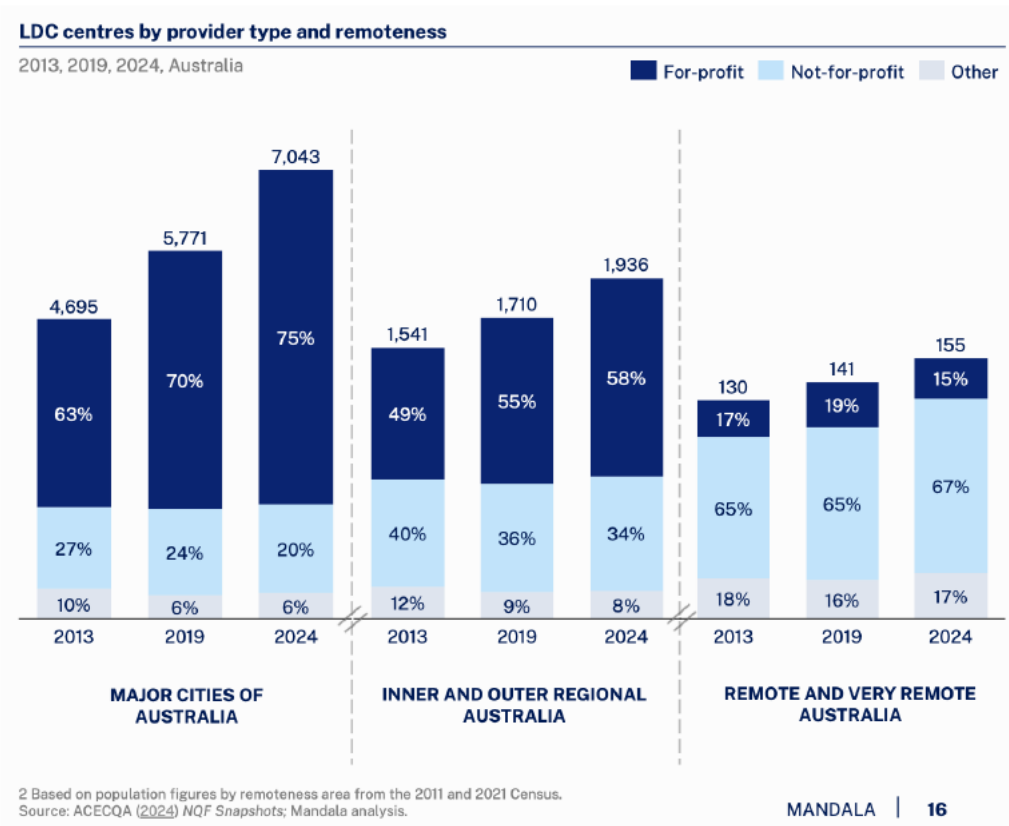
²⁴⁶ Submission 126, The Front Project, p 20.

²⁴⁷ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 7.

²⁴⁸ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 7.

²⁴⁹ Submission 126, The Front Project, p 5.

Figure 8 Long day care centres by provider type and remoteness in Australia – 2013, 2019 and 2024²⁵⁰



Commentary on the distribution of the early childhood education and care services

- 3.17** The inquiry received evidence about the distribution of ECEC services based on socioeconomic status and remoteness. The government also provided evidence about its role in shaping the sector's distribution, which is outlined in this section.
- 3.18** The Joint NFP Submission commented that not-for-profit providers are more likely to operate in rural and regional areas.²⁵¹
- 3.19** The Front Project argued that for-profit providers are more likely to provide services in middle- and upper-income urban communities. This can leave gaps in lower socioeconomic, rural and remote communities where not-for-profit

²⁵⁰ Submission 126, The Front Project, p 5.

²⁵¹ Submission 129, Joint NFP Submission, p 30. The submission was made on behalf of 5 not-for-profit ECEC providers: KU Children's Services, Goodstart Early Learning, SDN Children's Services, Gowrie NSW and Big Fat Smile.

services are more likely to operate, which has implications for access to services for children:

This market mix has significant implications for both quality and access. For-profit providers tend to establish services in areas where returns are higher— typically, middle - and upper - income urban communities – leaving gaps in provision for low-SES, rural, and remote communities. Not-for-profit providers, in contrast, are more likely to operate in low-SES and rural areas, meeting local needs and often prioritising social outcomes over financial returns. The decline in their share of the market exacerbates existing inequities, particularly for children already more likely to be developmentally vulnerable by their first year of school.²⁵²

- 3.20** The Childcare Stress Project commented on the limited availability of services in Western Sydney, noting that there is a concentration of providers in wealthier areas which can lead to limited options for families. They suggested government funding and provision could redress these issues:

Western Sydney suffers from geographic disadvantage in a predominantly privatised ECEC system. Providers are concentrated in wealthier areas, leaving low-fee, high-need suburbs under-serviced. Even when quality issues arise, many families have no alternative options. Government funding and provision must be strategically directed to redress this place-based market failure.²⁵³

- 3.21** Affinity Education Group (Affinity) spoke of the benefits of private providers, arguing that without their contribution to the sector there would be unmet demand for ECEC services:

Private providers collectively deliver more than 70 per cent of all approved centre-based care in Australia. Without this contribution, which is complementary to the portion of the sector comprised of for-purpose, community based and government providers, the sector would be unable to meet the growing demand for ECEC services particularly in expanding suburban, regional, and outer metropolitan areas.²⁵⁴

- 3.22** When asked as to whether the NSW Department of Education has a policy from the government in relation to monitoring or guiding the market distribution of ECEC services, Mr Murat Dizdar, Secretary, NSW Department of Education responded '... [t]here isn't a policy or a position in the department that says the sector will look in this way - this proportion of providers'.²⁵⁵

²⁵² Submission 126, The Front Project, p 20.

²⁵³ Submission 112, Childcare Stress Project, p 5.

²⁵⁴ Submission 121, Affinity Education Group, p 16.

²⁵⁵ Evidence, Mr Murat Dizdar, Secretary, NSW Department of Education, 13 August 2025, p 4.

Large for-profit provider business models

3.23 Evidence was received throughout the inquiry about the increase in large for-profit providers in the ECEC sector. This section outlines the various business models used by large for-profit providers, and specifically considers the corporate structure of providers who gave evidence at the inquiry.

Descriptions of the business models of large for-profit providers

3.24 In order to assist with understanding the corporate structures of large for-profit providers, this section explains the meaning of publicly listed companies on the Australian Securities Exchange (ASX), privately held corporations, and private equity firms.²⁵⁶

3.25 Providers listed on the ASX have specific reporting requirements, particularly financial disclosures. This allows for some transparency over aspects of their finances and operations.²⁵⁷ Companies that are publicly listed can offer shares to the public, and there is no limit on the number of members they can have. There are different models of public companies, the most common being limited by shares. This means that an individual member who owns shares is only liable for the company's debt, up to the amount they paid for their shares.²⁵⁸

3.26 Privately held corporations have fewer obligations to release financial and operations information than public companies.²⁵⁹ Private companies are still most commonly limited by shares (described as 'proprietary company limited by shares', often indicated with a 'Pty Ltd' after their name). This means that an individual member is liable for the company's debts up to the amount they paid for their shares.²⁶⁰

3.27 Private equity is a source of investment capital that can come from different sources, being individuals, institutional funds or specific private equity firms. This capital can then be used for various purposes, including purchasing shares of private companies to control operations with an aim to make positive returns

²⁵⁶ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, pp 22-23.

²⁵⁷ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 22.

²⁵⁸ Australian Securities and Investments Commission, *Company types*, <https://www.asic.gov.au/for-business-and-companies/companies/company-building-blocks/company-types/>.

²⁵⁹ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 22.

²⁶⁰ Australian Securities and Investments Commission, *Company types*, <https://www.asic.gov.au/for-business-and-companies/companies/company-building-blocks/company-types/>.

on that investment.²⁶¹ According to Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, private equity companies are subject to minimal business reporting requirements.²⁶²

- 3.28** Under Commonwealth legislation, the directors of companies have a duty to act in the interests of their shareholders. They are also bound by the provisions of their constitutional documents which set out the objectives of the company and other requirements for the operation of the company.²⁶³ In the case of private equity firms, their objective is ordinarily to maximise profits from short- to medium-term investments.

Corporate structures of large for-profit providers in New South Wales

- 3.29** Five of Australia's large for-profit providers of ECEC are Affinity, G8 Education (G8), Only About Children (OAC), Little Zak's Academy (Little Zak's) and Busy Bees. These providers all operate services in New South Wales. These providers gave evidence at a hearing for the inquiry. Evidence about revenue and profit/loss of each provider is from StartingBlocks to ensure consistency across the information provided.²⁶⁴

Affinity Education Group

- 3.30** Affinity was founded in 2013, and currently operates 250 early learning centres across Australia, with 102 of those operating in New South Wales.²⁶⁵

²⁶¹ Australian Institute of Company Directors, *Private Equity*, <https://www.aicd.com.au/finance-governance/raising-capital/private-equity.html>.

²⁶² Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 23.

²⁶³ See ASIC, *Obligations of company officeholders*, <https://www.asic.gov.au/for-business-and-companies/companies/company-officeholder-rules-and-changes/obligations-of-company-officeholders/>

²⁶⁴ StartingBlocks is Australia's free government website to find and compare early education and outside school hours care by quality ratings, fees, vacancies and inclusions, and stay updated on safety information.

²⁶⁵ Evidence, Mr Tim Hickey, former Chief Executive Officer, Affinity Education Group, 23 September 2025, p 2.

- 3.31** Affinity is a privately owned company²⁶⁶ and the controlling shareholders are funds managed and advised by Quadrant Private Equity.²⁶⁷ Affinity was purchased by Quadrant Private Equity in 2021 for \$650 million.²⁶⁸
- 3.32** The former Chief Executive Officer of Affinity, Mr Tim Hickey's base salary for 2024 was \$625,000. Mr Hickey's bonus was \$156,250 for 2024.²⁶⁹
- 3.33** Affinity reported revenue of \$605,168,124 and a loss of \$27,950,000 in 2024.²⁷⁰

G8 Education

- 3.34** G8 is the largest provider of ECEC listed on the ASX. It has 400 centres across Australia, with 134 of those operating in New South Wales.²⁷¹ G8 is an Australian publicly listed company.²⁷²
- 3.35** In terms of executive remuneration, the Chief Executive Officer, Mr Pejman Okhovat, received a salary of \$1.53 million in 2024. Depending on whether certain conditions are met, Mr Okhovat will receive a further \$1.8 million in long-term incentives.²⁷³
- 3.36** G8 reported revenue of \$1,021,777,000 and a profit of \$67,688,000 in 2024.²⁷⁴

²⁶⁶ Answers to supplementary questions, Mr Tim Hickey, former Chief Executive Officer and Mr Glen Hurley, Senior Advisor – Quality and Safety, Affinity Education Group, 22 October 2025, p 6.

²⁶⁷ Answers to supplementary questions, Mr Tim Hickey, former Chief Executive Officer and Mr Glen Hurley, Senior Advisor – Quality and Safety, Affinity Education Group, 22 October 2025, p 4.

²⁶⁸ Submission 9, Ms Lisa Bryant, p 1.

²⁶⁹ Answers to supplementary questions, Mr Tim Hickey, former Chief Executive Officer and Mr Glen Hurley, Senior Advisor – Quality and Safety, Affinity Education Group, 22 October 2025, p 8.

²⁷⁰ StartingBlocks, *Large Provider Information Affinity Education Group*, <https://startingblocks.gov.au/large-providers/affinity-education-group-limited>.

²⁷¹ G8 Education Ltd, *2024 Annual Report*, (Report, 2024), p 3; Evidence, Mr Pejman Okhovat, Chief Executive Officer, G8 Education, 23 September 2025, p 14.

²⁷² Answers to supplementary questions, G8 Education, 22 October 2025, p 2.

²⁷³ Evidence, Mr Pejman Okhovat, Chief Executive Officer, G8 Education, 23 September 2025, p 15.

²⁷⁴ StartingBlocks, *Large Provider Information G8 Education Limited*, <https://startingblocks.gov.au/large-providers/g8-education>.

Only About Children

- 3.37** OAC has been operational for nearly 20 years. It operates 45 centres across Greater Sydney, and around 75 to 76 centres across Australia.²⁷⁵
- 3.38** OAC is a wholly owned subsidiary of Bright Horizons Family Solutions Inc (Bright Horizons), a New York Stock Exchange listed multinational company.²⁷⁶ OAC was acquired by Bright Horizons in 2022 for \$450 million.²⁷⁷ Previously OAC was owned by a private equity company, Bain Capital.²⁷⁸
- 3.39** Ms Anna Learmonth, Chief Executive Officer of OAC, told the committee her salary is just above \$400,000, and when asked about bonus and potential incentive payments, Ms Learmonth responded 'I think it's 30 per cent'.²⁷⁹
- 3.40** OAC reported revenue of \$227,571,000 and a loss of \$32,483,000 in 2024.²⁸⁰

Little Zak's Academy

- 3.41** Little Zak's has been operating for nearly thirty years. It operates 47 services across Australia.²⁸¹
- 3.42** Little Zaks is owned by three people – Mr Richard Bell (Chief Executive Officer), and the two founding shareholders. The two key structures at a corporate level are LZ Pty Ltd and M and W Zaki Pty Ltd (private companies). These companies

²⁷⁵ Evidence, Ms Anna Learmonth, Chief Executive Officer, Only About Children, 23 September 2025, pp 22; 26. In her evidence, Ms Learmonth explained that one centre had closed in Maroubra while it gets rebuilt.

²⁷⁶ Conor Duffy, 'Why the New York Stock Exchange cheers when a child is dropped off at daycare in Sydney or Melbourne', *ABC News*, 29 April 2025.

²⁷⁷ Evidence, Ms Ros Marshall OBE, Managing Director, International, Bright Horizons, 23 September 2025, p 25; Conor Duffy, 'Why the New York Stock Exchange cheers when a child is dropped off at daycare in Sydney or Melbourne', *ABC News*, 29 April 2025.

²⁷⁸ Anthony Macdonald, Sarah Thompson and Kanika Sood, 'Bain Capital sells Only About Children for \$450 million', *Financial Review*, 4 May 2022.

²⁷⁹ Evidence, Ms Anna Learmonth, Chief Executive Officer, Only About Children, 23 September 2025, p 23.

²⁸⁰ StartingBlocks, *Large Provider Information Only About Children*, <https://startingblocks.gov.au/large-providers/only-about-children>.

²⁸¹ Evidence, Mr Richard Bell, Chief Executive Officer, Persons with Management or Control, Little Zak's Academy, 23 September 2025, p 41.

both hold provider licences.²⁸² Little Zak's operates through a combination of Unit Trusts, and therefore unit holders of the Unit Trusts are the beneficial owners.²⁸³

- 3.43** Mr Richard Bell, Chief Executive Officer of Little Zak's explained that there are other corporate structures associated with Little Zak's. LZS Pty Ltd employs all of Little Zak's staff at a centralised level. LZL is a separate leasing company, which holds their leases outside of their operational structure.²⁸⁴ The directors and shareholders of these companies are within the ownership group of the entire group.²⁸⁵
- 3.44** Mr Bell told the committee that he and Carlos Zaki, the Managing Director of Little Zak's, started a labour hire business called 'Z Staffing' in response to challenges with staffing during COVID. Mr Bell explained that it 'is a labour hire firm under normal Corporations Act and labour hire laws, which require a labour hire licence in each respective State'.²⁸⁶ Mr Bell is a board member of Z Staffing.²⁸⁷
- 3.45** The annual salary of Mr Richard Bell, Chief Executive Officer of Little Zak's is \$550,000. He also noted that on average he receives dividends of \$525,000 per year.²⁸⁸
- 3.46** Little Zak's reported revenue of \$142,504,418 and a profit of \$17,084,363 in 2024/25.²⁸⁹

²⁸² Evidence, Mr Richard Bell, Chief Executive Officer, Persons with Management or Control, Little Zak's Academy, 23 September 2025, p 41.

²⁸³ Answers to supplementary questions, Mr Richard Bell - Chief Executive Officer, Persons with Management or Control, Ms Tracey Jones, Head of Compliance and Ms Angela Marakovic, Head of Operations, Little Zak's Academy, 25 November 2025, p 3.

²⁸⁴ Evidence, Mr Richard Bell, Chief Executive Officer, Persons with Management or Control, Little Zak's Academy, 23 September 2025, p 42.

²⁸⁵ Evidence, Mr Richard Bell, Chief Executive Officer, Persons with Management or Control, Little Zak's Academy, 23 September 2025, p 42.

²⁸⁶ Evidence, Mr Richard Bell, Chief Executive Officer, Persons with Management or Control, Little Zak's Academy, 23 September 2025, p 42.

²⁸⁷ Evidence, Mr Richard Bell, Chief Executive Officer, Persons with Management or Control, Little Zak's Academy, 23 September 2025, p 42.

²⁸⁸ Evidence, Mr Richard Bell, Chief Executive Officer, Persons with Management or Control, Little Zak's Academy, 23 September 2025, p 47.

²⁸⁹ StartingBlocks, *Large Provider Information Little Zak's Academy*, <https://startingblocks.gov.au/large-providers/little-zaks-academy>.

Busy Bees

- 3.47** Busy Bees operates approximately 100 centres across Australia.²⁹⁰ Busy Bees is owned by international companies, and has a private holding company for its Australian operations.²⁹¹
- 3.48** The international companies that own Busy Bees are:
- Ontario Teachers' Pension Plan (private equity arm) and Temasek
 - Twentysixmoront Corp and Temasek.²⁹²
- 3.49** Busy Bees Australia Holdings Pty Ltd is the holding company for all Australian subsidiaries and directs the Australian operations.²⁹³ There are multiple subsidiary companies under Busy Bees Early Learning Australia Pty Ltd.²⁹⁴
- 3.50** The Chief Executive Officer of Busy Bees received a total remuneration of \$725,492 in 2024.²⁹⁵
- 3.51** Busy Bees reported revenue of \$493,608,000 and a loss of \$4,595,000 in 2024.²⁹⁶

Incentive payments to managers of early childhood education and care services

- 3.52** The committee also questioned the above five large for-profit providers — Affinity, G8 Education (G8), Only About Children (OAC), Little Zak's Academy (Little Zak's)

²⁹⁰ Evidence, Ms Kerin McMahon, Chief Operations Officer, Busy Bees, 23 September 2025, p 52.

²⁹¹ Answers to supplementary questions, Ms Kerin McMahon, Chief Operations Officer, Busy Bees and Ms Leanne Cain, Chief Pedagogy and Safeguarding Officer, Busy Bees, 21 November 2025, pp 20- 21; Evidence, Ms Kerin McMahon, Chief Operations Officer, Busy Bees, 23 September 2025, p 52.

²⁹² Answers to supplementary questions, Ms Kerin McMahon, Chief Operations Officer, Busy Bees and Ms Leanne Cain, Chief Pedagogy and Safeguarding Officer, Busy Bees, 21 November 2025, p 21; Evidence, Ms Kerin McMahon, Chief Operations Officer, Busy Bees, 23 September 2025, p 52.

²⁹³ Answers to supplementary questions, Ms Kerin McMahon, Chief Operations Officer, Busy Bees and Ms Leanne Cain, Chief Pedagogy and Safeguarding Officer, Busy Bees, 21 November 2025, p 20.

²⁹⁴ Answers to supplementary questions, Ms Kerin McMahon, Chief Operations Officer, Busy Bees and Ms Leanne Cain, Chief Pedagogy and Safeguarding Officer, Busy Bees, 21 November 2025, p 17 attachment.

²⁹⁵ Answers to supplementary questions, Ms Kerin McMahon, Chief Operations Officer, Busy Bees and Ms Leanne Cain, Chief Pedagogy and Safeguarding Officer, Busy Bees, 21 November 2025, p 45.

²⁹⁶ StartingBlocks, *Large Provider Information Busy Bees Early Learning*, <https://startingblocks.gov.au/large-providers/busy-bees>.

and Busy Bees — about incentive payments or programs at their services that were based on factors including occupancy levels and number of breaches.

G8 Education

3.53 Staff and centre managers working for G8 can get up to 10 per cent of their wage in incentive payments based on occupancy rates. For example, G8's 2023 "Operations Short-Term Incentive Plan" (the Operations STIP) assessed employee performance against four operational key performance indicators:

- Occupancy (30% weighting) - calculated as the total bookings divided by the total licensed places
- Controllable EBIT (Earnings Before Interest and Tax) (30% weighting) - calculated based on accounts that are reasonably within the control of the eligible team member
- NQS A&R (20% weighting) - based on the proportion of centres (including the centre at which the employee works as well as an assessment of the centres in the relevant area and also region) undergoing the National Quality Standards Assessment and Rating process during 2023 assessed as Meeting or Exceeding the NQS in Quality Areas 1, 2, 5 and 7
- Team turnover (20% weighting) - all team members voluntarily departing G8, measured on a 12-month rolling basis (excluding terminations while under performance management or disciplinary action, for example).²⁹⁷

3.54 When questioned as to whether these sorts of incentives pushed centre managers into protecting the reputation of the centre by not reporting something in case it impacts occupancy rates, Mr Okhovat replied: 'occupancy is fundamentally a reflection of the local community trusting and believing that they can put their children in there. If you have a poor reputation, you do not get the occupancy'.²⁹⁸

3.55 When questioned as to whether an incentive based on centre profitability leads to cost-cutting in the form of cheaper meals or poorly-maintained facilities, Mr Okhovat responded: 'The best way a centre manager can work to drive, as you call it, the financial part of their organisation is to work with the local families and ensure more families trust and have confidence in the centre to put their children in there'.²⁹⁹

²⁹⁷ Tabled document, Ms Abigail Boyd MLC, *Operations Short-Term Incentive Plan (STIP)*, 23 September 2025.

²⁹⁸ Evidence, Mr Pejman Okhovat, Chief Executive Officer, G8 Education, 23 September 2025, p 18.

²⁹⁹ Evidence, Mr Pejman Okhovat, Chief Executive Officer, G8 Education, 23 September 2025, p 20.

Only About Children

- 3.56** In response to questions about whether there is a profit component within the incentive program at Only with Children centres, Ms Anna Learmonth, Chief Executive Officer, Only About Children, advised that:

centre directors are eligible for an annual short-term incentive of up to 10% of their total salary, subject to achieving specific goals across the areas of people, quality, safety, and growth. To qualify for any portion of the incentive, Centre Directors must meet minimum standards in compliance and safety, and consistently demonstrate alignment with our HEART principles. The incentive structure includes a performance-based component linked to the centre's operational contribution (profit), which accounts for 20% of the overall program, equivalent to 2% of the total short-term incentive.³⁰⁰

Little Zak's Academy

- 3.57** Mr Richard Bell, Chief Executive Officer, Persons with Management or Control, Little Zak's Academy, told the committee that there is an incentive structure for centre managers:

... 60 per cent of my director and area manager KPIs are based on compliance and safety. We developed a compliance and safety dashboard, which assisted us to be able to highlight where incidents happened, the severity of incidents, how many incidents and breaches were reported, and how quickly we took action on those. The directors are bonused; 60 per cent of their package is on that. They have a base salary. Then they have 20 per cent which is focused on rostering and wages, and the other 20 per cent is focused on occupancy.³⁰¹

Commentary on large for-profit providers in the early childhood education and care sector

- 3.58** There was extensive evidence received about the role and impact of large for-profit providers in the ECEC sector, including:
- the objective of profit in ECEC
 - the private equity model in ECEC
 - safety and quality of for-profit services.

³⁰⁰ Answers to questions on notice, Only About Children, 22 October 2025, p 1.

³⁰¹ Evidence, Mr Richard Bell, Chief Executive Officer, Persons with Management or Control, Little Zak's Academy, 23 September 2025, p 48.

Objective of profit in the early childhood education and care sector

- 3.59** Some inquiry participants raised issues with the motivation to make a profit in ECEC.
- 3.60** For example, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech argued that 'listed companies have primary obligations to their shareholders, whose principal concern is financial performance, including a rising share price and/or healthy dividends'.³⁰²
- 3.61** Similarly, Ms Karen Kearns, Chief Executive Officer and Director of Studies, International Child Care College, outlined the obligations of centres run by the private sector: 'it's about profits and it's about scale of economy'. Ms Kearns argued that the requirement to make profit impacts on quality:
- Obviously they want to make money for their shareholders, and to do that, they have to run their services on a budget. That budget, I don't think, extends to the quality provision of early childhood education.³⁰³
- 3.62** Community Early Learning Australia also commented on the growth of for-profit service provision, arguing that the 'ECEC market is incentivised to deliver services that meet minimum standards in order to maximise the number of licensed places, rather than prioritising children and educators' wellbeing'.³⁰⁴
- 3.63** Professor Cathrine Neilsen-Hewett, Academic Director, The Early Years, University of Wollongong was of the view that 'it's [not] a simple argument around for-profits or not-for profits, but I do think that when profit prioritises and gazumps child outcomes, then we have issues'.³⁰⁵
- 3.64** Inquiry participants from large for-profit providers offered alternative perspectives on the for-profit model. For example, Mr Tim Hickey, former Chief Executive Officer, Affinity, when questioned about whether his primary obligation is to make profit, responded: '[n]o, I can tell you that my primary obligation is to drive safety and quality through our centres'.³⁰⁶
- 3.65** Similarly, when asked whether there is a priority in terms of profit, growth of centres and revenue, Ms Anna Learmonth, Chief Executive Officer, OAC, claimed

³⁰² Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 22.

³⁰³ Evidence, Ms Karen Kearns, Chief Executive Officer and Director of Studies, International Child Care College, 14 August 2025, p 33.

³⁰⁴ Submission 119, Community Early Learning Australia, p 15.

³⁰⁵ Evidence, Professor Cathrine Neilsen-Hewett, Academic Director, The Early Years, University of Wollongong, 14 August 2025, p 45.

³⁰⁶ Evidence, Mr Tim Hickey, former Chief Executive Officer, Affinity Education Group, 23 September 2025, p 4.

'our focus is first and foremost on the safety, the quality, the programs and our people'.³⁰⁷

Private equity and early childhood education and care

3.66 Inquiry participants commented on the increase in private equity involvement in the ECEC sector. In particular, evidence was received about the structure of the private equity model, and the impacts of the private equity model on occupancy, staffing and quality.

3.67 Professor Gabrielle Meagher, Macquarie University, and Work and Family Policy Roundtable, claimed private equity is a particularly problematic model in the sector because its purpose is to prepare a business to sell in the short term:

[P]rivate equity is particularly risky because the business model in private equity in general is to take a business that you think might have a bit of fat in it, take it, purchase it, strip out all the fat, grow aggressively, using debt, and then sell within three to seven years.³⁰⁸

3.68 Professor Meagher criticised this model in the sector, arguing '[t]he business model is not one that's really about growing because we've got an amazing vision for early learning; it's about growing to build up a great big package that you can then sell off to make a lot of money for your investors'.³⁰⁹

3.69 According to Ms Lisa Bryant, Education and Care Consultant and Advocate, the entrance of private equity and corporate providers has led to a focus on occupancy of centres which has subsequently impacted on wages and educators' ability to spend quality time with children:

The entrance and dominance of private equity and corporate providers is what fundamentally changed this sector. Services in New South Wales used to be small scale, human scale. Developers saw a profit opportunity, built massive centres and sold them to investment trusts. Higher rents meant that occupancy became king. Educators were then pressured to market constantly to parents using Instagram-style apps, taking time and

³⁰⁷ Evidence, Ms Anna Learmonth, Chief Executive Officer, Only About Children, 23 September 2025, p 26.

³⁰⁸ Evidence, Professor Emerita Gabrielle Meagher, Macquarie University, and Work and Family Policy Roundtable, 13 August 2025, p 16.

³⁰⁹ Evidence, Professor Emerita Gabrielle Meagher, Macquarie University, and Work and Family Policy Roundtable, 13 August 2025, p 16.

attention away from children. Wages were then suppressed to protect profits.³¹⁰

3.70 Ms Bryant further noted the impact of private equity and large for-profit providers on staffing. She suggested that these providers 'are sitting on around 55 per cent – or sometimes a slightly higher percentage – of their income being spent on staffing'. She compared this to not-for-profit providers like Goodstart and KU, which 'often spend 78 or 80 per cent of their income' on staffing.³¹¹

3.71 Mr Tim Hickey, former Chief Executive Officer, Affinity, disputed the suggestion that the purpose of private equity is to cut costs and make profit in the context of Affinity. He commented: 'I don't work for private equity. I work for Affinity, and my job is to sustain profitability in our centres so that we can reinvest back into the educators, back into the centres, which is critical'.³¹²

Safety and quality

3.72 Inquiry participants commented on the differences in quality and safety between provider models. This was considered through:

- ratings
- staffing and waivers
- compliance actions.

Ratings

3.73 In their submission, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech claimed that 'NQS [National Quality Standard] ratings show a clear gap in quality between for-profit services and those under not-for-profit and public management'. They further commented that 'for-profit ... long day care services are assessed as Working Towards NQS at more than twice the proportion of not-for-profit and public services (9% versus 4%) and as Exceeding NQS at less than half the proportion of other management types (14% versus 35%)'.³¹³

³¹⁰ Evidence, Ms Lisa Bryant, Education and Care Consultant and Advocate, 13 August 2025, p 25.

³¹¹ Evidence, Ms Lisa Bryant, Education and Care Consultant and Advocate, 13 August 2025, p 28.

³¹² Evidence, Mr Tim Hickey, former Chief Executive Officer, Affinity Education Group, 23 September 2025, p 3.

³¹³ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 13.

- 3.74** The Joint NFP Submission asserted that '[n]ot-for-profit (NFP) providers are three times more likely to Exceed the safety standard (2.2), and nearly twice as likely to meet every element of supervision and incident management'.³¹⁴

Staffing and waivers

- 3.75** The Australian Competition and Consumer Commission (ACCC) Interim report noted that large not-for-profit providers spent about 77 per cent of total expenses on labour. In comparison, large for-profit providers were approximately 63 per cent.³¹⁵

- 3.76** Professor Emerita Gabrielle Meagher and Professor Marianne Fenech argued that 'for-profit providers make much more use of waivers than providers of other management types'. They noted this is 'principally in relation to early childhood teacher requirements'. They outlined that '[m]ore than one in five (22%) of all for-profit long day care services in NSW held a temporary staffing waiver at 1 October 2024, compared to one in ten (10%) of services under public and not-for-profit management'. They also claimed that 'for-profit providers were more likely to hold multiple staffing waivers for a single service'.³¹⁶

- 3.77** Professor Emerita Gabrielle Meagher and Professor Marianne Fenech further contended that '[t]aking together services rated as Working Towards NQS ratings and those using a staffing waiver as a quality measure, the quality gap between for-profit and not-for-profit services widens'. Using this measure, in New South Wales, 29 per cent of for-profit long day care services do not meet quality standards, compared to 13 per cent of other management types.³¹⁷

Compliance

- 3.78** Professor Emerita Gabrielle Meagher and Professor Marianne Fenech also provided evidence on compliance actions taken against services in 2024. They suggested that compliance actions such as 'cancellation of approval and issuing of compliance notices and directions, emergency action notices and enforceable undertakings, are overwhelmingly taken against for-profit providers'.³¹⁸ They further claimed that cancellation of approval, emergency action notices and enforceable undertakings are the most serious actions. In this category, the

³¹⁴ Submission 129, Joint NFP Submission, p 12.

³¹⁵ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 19 which references the Australian Competition and Consumer Commission, 'Childcare Inquiry Interim Report' (September 2025).

³¹⁶ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 15.

³¹⁷ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 15.

³¹⁸ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 15.

'share issued to for-profit providers was the highest ...[at] '90% and over'.³¹⁹ The United Workers Union also stated that large for-profit providers are 'overrepresented in safety breaches and enforcement actions'.³²⁰

3.79 Figure 9 demonstrates the share of compliance actions in 2024 between not-for-profit and private for-profit services.

Figure 9 Compliance actions 1 January – 29 October 2024 in NSW by management type³²¹

Table 5: Compliance actions 1 January - 29 October 2024, NSW, by management type

	Not for-profit	Private for-profit	For-profit share
Approval cancelled	11	95	90%
Compliance direction issued	44	247	85%
Compliance notice issued	92	383	81%
Emergency action notice issued	6	106	95%
Enforceable undertaking issued	2	19	90%
<i>All actions</i>	<i>155</i>	<i>850</i>	<i>85%</i>

Transparency about providers

3.80 Inquiry participants raised that the operations, finances, and regulatory information about providers should be made more transparent.

3.81 In their submission, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech expressed the view that the National Law should be amended to require providers to submit operational and financial information.³²² Professor Emerita Gabrielle Meagher, Macquarie University and Work and Family Policy Roundtable indicated that 'providers are not required to account for how they spend the subsidies and fees that they receive', and noted that '[t]he fees they charge are not regulated'.³²³

³¹⁹ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, pp 15-16.

³²⁰ Submission 101, United Workers Union, p 2.

³²¹ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 15.

³²² Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 12.

³²³ Evidence, Professor Emerita Gabrielle Meagher, Macquarie University and Work and Family Policy Roundtable, 13 August 2025, p 19.

3.82 According to Professor Meagher ECEC providers should have similar obligations to the aged care sector. She outlined the difference between the ECEC StartingBlocks website and the My Aged Care website:

If you think about StartingBlocks—which is the Commonwealth Government's gateway for parents where you can look up a service—you look up a service, it will tell you its address, the days it operates, its fees and its last two ratings. If you go to My Aged Care, there's compliance information, there's financial information, there's the level of staffing, what they pay their staff per hour compared to the national average—that sort of thing.³²⁴

3.83 Professor Meagher suggested that 'whichever level of government is giving money to providers to provide social infrastructure services should have oversight of what that money's being spent on'.³²⁵

3.84 While Mr Chris Wheeler PSM, Consultant, argued that penalties are important in impacting the way services operate, he considered 'what would have more impact, particularly on businesses that are running early childhood services, is things that can impact on their reputation and their brand'. He went on to argue that publishing compliance history, investigations and other information would impact particularly on the behaviour of for-profit ECEC services:

[I]f every service that they operate has to make public, in the service premises, their compliance history—every time they're under investigation, every time there's an outcome—that, I think, can have a significant impact on the reputation and brand of any service, but particularly I think one where you've got a profit motive.³²⁶

Role of the real estate sector in early childhood education and care

3.85 The committee heard evidence about the role of the real estate sector in ECEC. This section examines this evidence through the following topics:

- the relationship between the real estate and ECEC sectors
- benefits to the real estate sector of ECEC investment
- ECEC property portfolios
- impacts on the sector of the real estate sector involvement.

³²⁴ Evidence, Professor Emerita Gabrielle Meagher, Macquarie University and Work and Family Policy Roundtable, 13 August 2025, p 19.

³²⁵ Evidence, Professor Emerita Gabrielle Meagher, Macquarie University and Work and Family Policy Roundtable, 13 August 2025, p 19.

³²⁶ Evidence, Mr Chris Wheeler PSM, Consultant, 23 September 2025, p 37.

Relationship between the real estate and early childhood education and care sectors

- 3.86** This section outlines the connection between the real estate and ECEC sectors. It also explains Real Estate Investment Trusts (REITs) as these are the primary vehicles by which real estate investments are made.
- 3.87** The real estate sector is involved in ECEC as operators often lease their premises. The Centre for International Corporate Tax Accountability and Research (CICTAR) stated that '[o]ver 90% of centre based day care services operate on rented or leased sites'.³²⁷
- 3.88** According to CICTAR, social infrastructure, including ECEC, has become 'a prime target for REIT [Real Estate Investment Trusts] and other forms of institutional property investment' in recent years. They attributed this largely to Covid, as they note '[t]here was a surge in ECEC transactions in 2021 that Cushman & Wakefield attribute directly to "changes in subsidies and robust government support during the pandemic, which positioned the childcare sector as a secure destination for capital".³²⁸

Real Estate Investment Trusts

- 3.89** During evidence to the committee, Ms Bronwyn Lee, Researcher, CICTAR, explained how these REITs work: '[they are] a vehicle for holding assets. In many cases, they will have trust unit holders. It's a way for various investors ... to have some share in the sector'. Ms Lee said that REITs will buy property and lease it to operators on long terms leases.³²⁹
- 3.90** Ms Lee claimed that particularly with 'large REITs and these corporate landlords ... they ... put those costs of managing the property and upkeep of the property directly onto the operators'.³³⁰ She said this is done through triple net lease structures which means the tenant is responsible for all property operating expenses, including management fees, insurance, structural repairs and maintenance. The landlord's only cost will be interest if there is a mortgage on the

³²⁷ Submission 105, Centre for International Corporate Tax Accountability and Research, p 7.

³²⁸ Submission 105, Centre for International Corporate Tax Accountability and Research, p 7, quoting Australian Property Insights, *Investing In Tomorrow: An overview of the Australian childcare real estate investment market*, Cushman & Wakefield, 2024, p 15. Note - Cushman & Wakefield is a commercial real estate and property management firm.

³²⁹ Evidence, Ms Bronwyn Lee, Researcher, Centre for International Corporate Tax Accountability and Research, 13 August 2025, p 44.

³³⁰ Evidence, Ms Bronwyn Lee, Researcher, Centre for International Corporate Tax Accountability and Research, 13 August 2025, p 46.

property. If it is owned outright, the rental income is pure profit.³³¹ Ms Lee did acknowledge that landlords may be responsible for repairing major structural issues.³³²

- 3.91** In relation to corporate tax and REITs, Ms Lee argued that profit made by REITs on the basis of properties they own would 'ordinarily ... be taxed as corporate income tax, but because of the trust structure, the trust itself doesn't pay that'.³³³ Ms Lee explained that the trust structure means that unit holders receive trust benefits. While unit holders may be subject to income tax, there is no corporate income tax paid.³³⁴ She further claimed that '[t]rusts are often used as a way to avoid or minimise paying corporate income tax'.³³⁵

Benefits to the real estate sector of early childhood education and care investment

- 3.92** Some inquiry participants outlined the benefits to the real estate sector by investing in ECEC. For example, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, in their submission, referenced the ACCC Childcare Inquiry interim report which stated '[i]nvesting in childcare real estate is attractive due to the long-term leases and stable tenants backed by government support, as well as high underlying land values'.³³⁶
- 3.93** This is also reflected by CICTAR, who argued that '[u]nderlying the recent boom in corporate landlords' spending on ECEC property is federal government support to the sector during the first years of the Covid pandemic, and the sector's apparent resilience even during economic downturns'.³³⁷ CICTAR referenced comments made by commercial real estate agent JLL:

³³¹ Evidence, Ms Bronwyn Lee, Researcher, Centre for International Corporate Tax Accountability and Research, 13 August 2025, p 46; Submission 105, Centre for International Corporate Tax Accountability and Research, p 10.

³³² Evidence, Ms Bronwyn Lee, Researcher, Centre for International Corporate Tax Accountability and Research, 13 August 2025, p 46.

³³³ Evidence, Ms Bronwyn Lee, Researcher, Centre for International Corporate Tax Accountability and Research, 13 August 2025, p 44.

³³⁴ Evidence, Ms Bronwyn Lee, Researcher, Centre for International Corporate Tax Accountability and Research, 13 August 2025, p 44.

³³⁵ Evidence, Ms Bronwyn Lee, Researcher, Centre for International Corporate Tax Accountability and Research, 13 August 2025, p 44.

³³⁶ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 24 which references the Australian Competition and Consumer Commission, 'Childcare Inquiry Interim Report' (September 2025) p 153.

³³⁷ Submission 105, Centre for International Corporate Tax Accountability and Research, p 10.

Commercial real estate agent JLL has declared childcare assets "recession-resistant", offering investors "stability and consistent returns due to non-cyclical demand, government support, long-term leases, population growth, and recession-resistant characteristics ... stable cash flow, land tax exemption in NSW, annual rent increases and depreciation benefits".³³⁸

- 3.94** Another benefit to the real estate sector is the inclusion of ratchet clauses in lease agreements, which Ms Bronwyn Lee, Researcher, CICTAR, claimed are common practice. These clauses include a consumer price index or set percentage increase every year, as well as regularly scheduled market rent reviews. Ms Lee argued that these clauses are '... specifically written to be always an increase'.³³⁹
- 3.95** To demonstrate the financial benefit to the sector, Ms Bronwyn Lee, Researcher, CICTAR put forward that '[r]ent paid by the sector as a whole each year is \$2.71 billion'.³⁴⁰ This was supported by Professor Emerita Gabrielle Meagher and Professor Marianne Fenech who agreed with this estimation of rent paid per year.³⁴¹

Early childhood education and care property portfolios

- 3.96** Some inquiry participants commented on the involvement of the real estate sector in acquiring ECEC portfolios, either to maintain longer term for rental income, or for capital gains benefits through buying and selling centres.³⁴²
- 3.97** For example, CICTAR commented that '[a]cquiring large ECEC portfolios could be part of a strategy of speculation on rising land values'.³⁴³ The ACCC Childcare Inquiry – September 2025 interim report also argued that '[p]roperty companies and developers can achieve substantial capital gains from buying and selling centres'.³⁴⁴

³³⁸ Submission 105, Centre for International Corporate Tax Accountability and Research, p 10, referencing Media release, Gordon McFadyen, 'Child care assets lucrative asset class amidst uncertainty', 21 August 2023.

³³⁹ Evidence, Ms Bronwyn Lee, Researcher, Centre for International Corporate Tax Accountability and Research, 13 August 2025, p 47.

³⁴⁰ Evidence, Ms Bronwyn Lee, Researcher, Centre for International Corporate Tax Accountability and Research, 13 August 2025, p 43.

³⁴¹ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 24.

³⁴² Submission 105, Centre for International Corporate Tax Accountability and Research, p 11.

³⁴³ Submission 105, Centre for International Corporate Tax Accountability and Research, p 11.

³⁴⁴ Australian Competition and Consumer Commission, 'Childcare Inquiry Interim Report' (September 2025) p 154.

- 3.98** Professor Emerita Gabrielle Meagher and Professor Marianne Fenech explained that 'property speculation is an integrated part of the for-profit business model in ECEC as developers, who may or may not also be ECEC operators, seek capital gains from rising land prices, while operators use higher fees to subsidise the resulting higher rents'.³⁴⁵
- 3.99** In relation to rental income, CICTAR comment that 'REITs may also hold ECEC properties for the longer term in order to maximise rental income', noting that 'there is evidence that rents are rising faster than inflation'.³⁴⁶ CICTAR also referenced a Cushman & Wakefield report which found that 'rental rates for childcare centres have seen significant increases in recent years'.³⁴⁷

Incubator model and asset flipping

- 3.100** Ms Cheyanne Carter, Chief Executive Officer & Founder of Divergent Education, explained the incubator model and asset flipping in ECEC. She said that this model involves purchasing centres, increasing their occupancy, then selling them on:

The incubator model is essentially, "I'm going to build and develop a whole bunch of childcare services. I will get them up to 75 per cent or 80 per cent occupancy. Then I will sell them to you." That way the company who is receiving these services has an influx and a continual flow of services that they can add to their portfolio, which grows their shareholder and profit value.³⁴⁸

- 3.101** Ms Carter argued that the 'goal is to develop and sell, because the value of the business is based off the net profit...'.³⁴⁹ She further commented that occupancy and staffing are the main drivers of net profit. Therefore, 'they don't care if the staff are well looked after, or trained or developed. "Just get the staff in, get the children and get the occupancy up as fast as possible so that I can make some money"'.³⁵⁰

³⁴⁵ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 24.

³⁴⁶ Submission 105, Centre for International Corporate Tax Accountability and Research, p 11.

³⁴⁷ Cushman & Wakefield, 'Australian Property Insights, Investing In Tomorrow: An overview of the Australian childcare real estate investment market' (2024) pp 12-13 as referenced in Submission 105, Centre for International Corporate Tax Accountability and Research, p 11.

³⁴⁸ Evidence, Ms Cheyanne Carter, Chief Executive Officer & Founder of Divergent Education, 13 August 2025, pp 31-32.

³⁴⁹ Evidence, Ms Cheyanne Carter, Chief Executive Officer & Founder of Divergent Education, 13 August 2025, p 32.

³⁵⁰ Evidence, Ms Cheyanne Carter, Chief Executive Officer & Founder of Divergent Education, 13 August 2025, p 32.

Impacts on early childhood education and care due to real estate sector involvement

3.102 Inquiry participants raised different issues as to the impacts of the involvement of the real estate sector. These include the following:

- rental increases impacting families
- real estate sector shaping the landscape of the ECEC sector
- transparency issues.

Rental increases impacting families

3.103 In their submission, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech argue that increased rent is often passed onto families through fee increases, explaining that 'operators use higher fees to subsidise the resulting higher rents'.³⁵¹

3.104 Ms Bronwyn Lee, Researcher, CICTAR, also suggested that rental increases can lead to higher fees for families. She claimed they are seeing 'operators really being squeezed by the landlords that see ECEC property as an asset class rather than as the foundation in which children learn and play'.³⁵² Ms Lee later noted that '[w]here the rent is driven up, the centre either can cut costs elsewhere or pass on the cost to parents as additional cost'.³⁵³

3.105 Meanwhile, OAC argued the fixed nature of property costs can leave 'providers with limited flexibility to absorb financial shocks or invest further in workforce and quality improvement'. Therefore, they suggested that '[g]rowing property costs make it more expensive for families'.³⁵⁴

Landscape of the early childhood education and care sector

3.106 As a result of the real estate sector's involvement in ECEC, the landscape of the ECEC sector has changed. For example, the Joint NFP Submission claimed that because '[e]arly education services are now marketed as a low-risk, high-return asset class, underpinned by taxpayer subsidies ... decisions about where and how

³⁵¹ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 24.

³⁵² Evidence, Ms Bronwyn Lee, Researcher, Centre for International Corporate Tax Accountability and Research, 13 August 2025, p 43.

³⁵³ Evidence, Ms Bronwyn Lee, Researcher, Centre for International Corporate Tax Accountability and Research, 13 August 2025, p 45.

³⁵⁴ Answers to supplementary questions, Ms Anna Learmonth, Chief Executive Officer Only About Children and Ms Ros Marshall, OBE, Managing Director, International - Bright Horizons, 22 October 2025, p 1.

new centres are established are driven by developers and investors—not by community need, child outcomes, or quality'.³⁵⁵

- 3.107** Likewise, CICTAR argued that 'corporate landlords' influence on the supply, type, quality and cost of ECEC services is substantial and increasing', as demonstrated by major corporate real estate companies, such as CQE and Arena REIT, selling less desirable properties and acquiring and developing new ones.³⁵⁶ They stated that '[l]ess desirable ECEC properties are often smaller centres or centres located in lower income areas'.³⁵⁷ CICTAR used the example of Folkestone Education Trust (now acquired by Charter Hall), which 'focused on consolidating its holdings in metro areas with "stronger population and income growth prospects", using an Australian Bureau of Statistics socio-economic index to measure the quality of its portfolio'.³⁵⁸
- 3.108** According to Professor Emerita Gabrielle Meagher and Professor Marianne Fenech the 'property aspect of the ECEC system is one that governments have left almost entirely to the private sector...'. They suggest this has led to problems in the sector, including 'maldistribution of services, the increasing dominance of for-profit providers and cost inflation'.³⁵⁹

Transparency

- 3.109** A lack of transparency surrounding the role of the real estate sector in ECEC was raised by inquiry participants.
- 3.110** While CICTAR suggested that the REIT structure reduces transparency in relation to tax, as there is 'no disclosure of how much tax is ultimately paid on REIT income, in contrast with regulations that require such disclosure by large or listed corporations'.³⁶⁰
- 3.111** CICTAR also commented on a lack of transparency in relation to how much government subsidies and family contributions are spent in ECEC. They argued that '[w]ithout transparency, regulators and the community are left guessing

³⁵⁵ Submission 129, Joint NFP Submission, p 20.

³⁵⁶ Submission 105, Centre for International Corporate Tax Accountability and Research, pp 2, 8.

³⁵⁷ Submission 105, Centre for International Corporate Tax Accountability and Research, p 8.

³⁵⁸ Submission 105, Centre for International Corporate Tax Accountability and Research, pp 8-9.

³⁵⁹ Submission 151, Professor Emerita Gabrielle Meagher and Professor Marianne Fenech, p 24.

³⁶⁰ Submission 105, Centre for International Corporate Tax Accountability and Research, p 11.

about whether increased funding is an investment in the sector – or being siphoned out through rent increases'.³⁶¹

Physical design of centres impacting safety

3.112 Some witnesses expressed concerns about a lack of regulation of the architectural design of services, with many new centres being built to maximise 'child per square metre' profit resulting in supervision blind spots and unmanageably large group sizes in fewer rooms.

3.113 For example, Ms Cheyanne Carter, Chief Executive Officer and Founder, Divergent Education told the committee:

But in terms of the quality, the ratios, when they were originally developed, they were developed on the iron triangle, which is class size, qualifications and number of children. The ratios that we have now were utilised and developed on the numbers of smaller classrooms. The classrooms that we have now, the sizes are astronomical. I spoke to an educator who was asking for my help because she has 50 preschoolers in one room. You talk about increase in behaviours— we're causing the behaviours. Think of the environment—the sound, the noise, the lights, the chaos. Of course those kids are going to have behaviours.

We're creating zoos, farms for children, because no-one is regulating the design of these services, and the property is so profitable. A child is worth \$5,000 annually to a developer. If you think about what that means for a lease term that's gone from 10 years to 20 years, you can invest \$1.5 million or \$2 million in a build and get a very lucrative return. They don't care about design. They don't care about supervision blind spots. They want as many children in that block of land as possible, without any consideration of how that actually impacts the children and the staff.³⁶²

Funding and its impact on service provision³⁶³

3.114 In Australia in the 1970s, the Federal government expanded its investment in public provision in ECEC services. Viewed as a social service, funding support in the 1970s, 1980s and 1990s was mainly provided to community-based and not-for profit centres, with government covering the centre's infrastructure and recurrent operational expenses (including leasing costs, professional staff wages

³⁶¹ Submission 105, Centre for International Corporate Tax Accountability and Research, p 19.

³⁶² Evidence, Ms Cheyanne Carter, Chief Executive Officer and Founder, Divergent Education, 13 August 2025, p 28.

³⁶³ The information in this section is derived from Mark Considine, *The Careless State – Reforming Australia's Social Services* (Melbourne University Press, 2022), Chapter 5 (Childcare).

and the building or converting of facilities). Families were typically fun with high levels of engagement from families.

- 3.115** From 1986 onwards, national funding began to shift towards individualized headcount subsidies for the children enrolled in a centre, rather than support based on staff numbers, materials etc. At first, this subsidisation model applied only to not-for-profit organisations, but in 1990 it was extended to private, for-profit providers also. What followed was a boom in private investment in ECEC services, backed by debt serviced by revenue from government subsidies and family payments.
- 3.116** Since then, direct forms of public provision have declined while overall public funding has increased. In the 2000s and 2010s, the rate of subsidy as a share of total expenditure doubled, reaching almost \$10 billion by 2020. The reforms to introduce markets and user-choice funding arrangements shifted ECEC service provision from being based on public and community-based non-profits to one dominated by private providers. Each service is generally free to set fees payable. It is estimated that approximately 10 per cent of the government subsidy is taken out of the system as profit (totalling \$1bn in 2020).
- 3.117** Australia has among the most expensive ECEC system for families. An Australian couple will spend 16 per cent of their income on ECEC services, compared to just 4 per cent in Sweden, 5 per cent in Iceland or 3 per cent in Korea. In addition, the market-based nature of provision has led to a concentration of services in more populated and wealthier areas while less profitable remote and poorer localities are left as so-called ‘childcare deserts’. Increased levels of consolidation and takeover, among both for-profit and not-for-profit providers, has led to the dominance in the market of a smaller number of larger providers.

State government funding

- 3.118** The New South Wales Government provides funding to ECEC services through different means. The NSW Department of Education administrates or supports the following programs which are discussed in this section:
- Start Strong Program
 - Brighter Beginnings
 - Public Preschools
 - Childcare and Economic Opportunity Fund.
- 3.119** This section also provides some commentary on the effectiveness of these programs from inquiry participants.

Start Strong Program

3.120 The Start Strong program provides funding to community preschools and long day care to support preschool education for children in New South Wales. The Program's aims are to improve affordability, quality and outcomes for children in preschool, and incentivise enrolment and attendance in preschool.³⁶⁴

3.121 Start Strong operates under the principles that:

- all NSW children, including Aboriginal and Torres Strait Islander children and children experiencing vulnerability and disadvantage, have access to at least 600 hours per year of a high-quality preschool program in the years before school
- services actively seek to improve enrolment and attendance for children using their service to meet the recommended level of at least 600 hours per year
- all services provide learning environments and programs that meet the early learning needs of all children in their community.
- parents and carers have greater confidence that the quality of the preschool program meets their child's developmental needs
- quality early childhood education is financially within reach for all families in New South Wales
- children are better supported to transition to school.³⁶⁵

3.122 Despite the focus on inclusion for Aboriginal and Torres Strait Islander children and children experiencing vulnerability and disadvantage, National Disability Services claimed that '[t]he rigidity of capped funding, combined with inflexible disability loadings and siloed systems, creates structural barriers that disadvantage Aboriginal children and families'.³⁶⁶ They noted that children with multiple needs are not necessarily receiving adequate funding to reflect these multiple needs, as demonstrated by a case study of a four year old Aboriginal girl diagnosed with autism who attended a community preschool. National Disability Services commented that:

³⁶⁴ NSW Government Education, *Start Strong overview* (28 November 2024), <https://education.nsw.gov.au/early-childhood-education/operating-an-early-childhood-education-service/grants-and-funded-programs/start-strong-funding/start-strong-overview#Program0>.

³⁶⁵ NSW Government Education, *Start Strong overview* (28 November 2024) <https://education.nsw.gov.au/early-childhood-education/operating-an-early-childhood-education-service/grants-and-funded-programs/start-strong-funding/start-strong-overview#Program0>.

³⁶⁶ Submission 86, National Disability Services, p 18.

Under the 2025 Start Strong for Community Preschools guidelines, children who are Aboriginal or have a disability attract an equity loading of \$8,193 per child. However, when a child is both Aboriginal and has a disability, there is **no additional funding to reflect that complexity**—the same flat rate applies.³⁶⁷

- 3.123** The Independent Education Union (IEU) commented that overall funding was insufficient to enable the payment of wages and teachers and educators in ECEC services that are comparable to those employed in primary schools. Further, the IEU argued that some funding for for-profit ECEC was inequitable and should be withdrawn.³⁶⁸
- 3.124** In their submission, the IEU highlighted that long day care services are primarily funded by the Federal government and have access to CCS to reduce fees for parents, but also receive \$1,055 per child plus a loading of up to \$528 for equity enrolments from the State government through the National Preschool Reform Agreement (NPRA), and have access to the Early Childhood Worker Retention Grant (ECWRG).³⁶⁹
- 3.125** The IEU also stated that community preschools are funded by the State Government and receive funding from the Federal Government for universal access for 4-year olds to access 600 hours of a preschool program each year through the NPRA. Teachers and educators in community preschools are not eligible for the ECWRG.³⁷⁰
- 3.126** The IEU argued that funding must be increased to enable to payment of wages for teachers and educators comparable to those employed in primary schools, pointing to negative impacts on staff retention and attraction in community preschools as a result of lack of funding. The IEU, Community Early Learning Australia (CELA) and the United Workers Union (UWU) have been engaged in supported bargaining with the NSW Government since late 2024. In late July 2025, the NSW Government sought to withdraw from the bargaining process, rejecting the notion that they have any role in assisting the attainment of fair pay and conditions in the community preschool sector.³⁷¹

³⁶⁷ Submission 86, National Disability Services, p 17.

³⁶⁸ Evidence, Ms Carol Matthews, Secretary, Independent Education Union of Australia (NSW/ACT Branch), 13 August 2025, p 52; Submission 72, Independent Education Union of Australia (NSW/ACT Branch), p 5, 19.

³⁶⁹ Submission 72, Independent Education Union of Australia (NSW/ACT Branch), p 19.

³⁷⁰ Submission 72, Independent Education Union of Australia (NSW/ACT Branch), p 19.

³⁷¹ Evidence, Ms Lisa James, Early Childhood Education and Care Organiser, Independent Education Union of Australia, 13 August 2025, p 52; Independent Education Union of Australia, *Funding for Community Preschools - The story so far*, <https://www.ieu.asn.au/funding-for-community-preschools-the-story-so-far/>

3.127 On 16 February 2026, the Fair Work Commission recommended that 'the NSW Government take all necessary action, including reviewing and increasing funding to NSW Preschools' to give effect to gender-based undervaluation pay rises due under the Children's Services Award and to enable the making of a supported bargaining enterprise agreement.³⁷² In making that recommendation, the Fair Work Commission found that:

in providing the majority of funding required by NSW preschools to operate, the NSW Government exercises such a degree of control over the terms and conditions of the employees who will be covered by the Proposed Agreement that the participation of the NSW Government in bargaining is necessary for the Proposed Agreement to be made.³⁷³

3.128 On 16 September 2025, the NSW Government announced \$100 million in funding for community preschools to extend operating hours, open more days and cater for children from birth through to school age (the Expanding Quality Access program). In the opinion of the IEU, the funding does not assist in lifting pay and conditions and will not assist the vast majority of community preschools.³⁷⁴

Brighter Beginnings

3.129 The Brighter Beginnings program is an intergovernmental agency program. It aims to improve child health and development outcomes from pregnancy to age five.³⁷⁵ One of the measures is health and developmental checks, conducted by health professionals, to children in ECEC services.³⁷⁶

3.130 The Joint NFP Submission expressed support for the Brighter Beginnings program. They claimed that such programs 'demonstrate that allied health access through early learning environments can drive earlier intervention and support families throughout what is often a challenging period'.³⁷⁷ However, they

³⁷² Independent Education Union of Australia citing the Fair Work Commission Decision, *Application for the FWC's approval of a supported bargaining authorisation*, p 27, <https://www.ieu.asn.au/wp-content/uploads/2026/02/260217-FWC-Community-Preschools-Reccomendation.pdf>

³⁷³ Independent Education Union of Australia citing the Fair Work Commission Decision, *Application for the FWC's approval of a supported bargaining authorisation*, p 27, <https://www.ieu.asn.au/wp-content/uploads/2026/02/260217-FWC-Community-Preschools-Reccomendation.pdf>

³⁷⁴ Media release, Independent Education Union of Australia, 'Workforce crisis continues - NSW government misses the mark on preschool funding', 17 September 2025, <https://www.ieu.asn.au/media-release-nsw-government-misses-the-mark/>

³⁷⁵ Evidence, Mr Murat Dizdar, Secretary, New South Wales Department of Education, 13 August 2025, p 2.

³⁷⁶ Submission 144, Australian Childcare Alliance, p 16.

³⁷⁷ Submission 129, Joint NFP Submission, p 17.

also noted that 'services and early education professionals require training to ensure children can access the allied health services they need'.³⁷⁸

- 3.131** The Australian Childcare Alliance NSW commented on the effective return on investment of the Brighter Beginnings program, stating that 'the NSW Government published ...[an] encouraging return on early childhood investment of "\$13 for every \$1" as part of its Brighter Beginnings: The First 2000 Days of Life initiative'.³⁷⁹

Public Preschools

- 3.132** The Department of Education is a provider of 100 public preschools across New South Wales. It is also responsible for the delivery of 100 additional public preschools by 2027, to be co-located on public primary schools.³⁸⁰
- 3.133** In relation to the location of these preschools, Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes, NSW Department of Education, advised that '[t]he selection of the new 100 preschools was an evidence-based approach that looked at a range of different factors, including supply and demand, growth in those areas and local intelligence...'.³⁸¹
- 3.134** However, the Joint NFP Submission insisted that '[t]he selection of the 100 sites with limited sector consultation has not considered or acknowledged the risk of oversupply in certain areas'.³⁸² They also raised concerns about the expansion of public preschools impacting the viability of high-quality not-for-profit providers. While they support the NSW Government's commitment to expanding access to preschools, they are 'concerned that the rollout of new public preschools lacks a clear strategy to monitor, prevent, or mitigate unintended impacts on existing high-quality community and not-for-profit services'.³⁸³
- 3.135** Similarly, the Northern Rivers Preschool Alliance support the rollout of new preschools, but 'do have concerns about the lack of consultation with local preschool directors and management committees, and without first addressing

³⁷⁸ Submission 129, Joint NFP Submission, p 17.

³⁷⁹ Submission 144, Australian Childcare Alliance NSW, p 7.

³⁸⁰ NSW Government Education, *100 new public preschools* (11 March 2025) <https://education.nsw.gov.au/early-childhood-education/operating-an-early-childhood-education-service/current-service-providers/universal-preschool/100-new-public-preschools>.

³⁸¹ Evidence, Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes, NSW Department of Education, 13 August 2025, p 9.

³⁸² Submission 129, Joint NFP Submission, p 23.

³⁸³ Submission 129, Joint NFP Submission, p 23.

the issue of wages and conditions in preschools - this puts current high quality community preschools at risk'.³⁸⁴

Childcare and Economic Opportunity Fund

3.136 The Childcare and Economic Opportunity Fund (CEOF) aims to support workforce participation by improving accessibility to ECEC services, and includes initiatives to attract and retain ECEC educators and professionals.³⁸⁵ The Joint NFP Submission outlined that the first tranche of the CEOF was intended to address 'workforce shortages, improve affordability, and expand access in areas of unmet demand'.³⁸⁶ However, they argued these objectives, while clear and supported by evidence, have failed to be implemented effectively:

While the Fund's objectives are clear and well-supported by evidence, its implementation to date has lacked a transparent, coordinated strategy to maximise impact. Several funded initiatives have fallen short of expectations due to limited scale, misalignment with sector needs, or a lack of robust evaluation frameworks to guide continuous improvement. For example, programs intended to support business capability and after-hours care have had limited uptake and their long-term value remains unclear.³⁸⁷

3.137 They also claimed that some of this funding has been 'repurposed to support government budget commitments', pointing to the '\$500 universal payment for three-year-olds enrolled in preschool programs within long day care settings'. They argued this universal payment would have been 'more appropriately ... funded through the Start Strong preschool funding program, consistent with other preschool fee relief initiatives'.³⁸⁸

3.138 Finally, the Joint NFP Submission argued that sector engagement with CEOF investment decisions have been limited, and suggested a 'stronger partnership approach, guided by evidence and informed by the experience of providers and communities, would ensure the Fund delivers on its promise'.³⁸⁹

³⁸⁴ Submission 51, Northern Rivers Preschool Alliance, p 7.

³⁸⁵ Evidence, Mr Murat Dizdar, Secretary, New South Wales Department of Education, 13 August 2025, p 2.

³⁸⁶ Submission 129, Joint NFP Submission, p 23.

³⁸⁷ Submission 129, Joint NFP Submission, p 24.

³⁸⁸ Submission 129, Joint NFP Submission, p 24.

³⁸⁹ Submission 129, Joint NFP Submission, p 24.

Australian Government funding

3.139 The Australian Government is the primary funder of long day care, family day care and outside school hours care (OSHC).³⁹⁰ The key funding programs examined in this section are:

- Child Care Subsidy (CCS) and Additional Child Care Subsidy
- Inclusion Support Program (ISP)
- Community Child Care Fund (CCCF)
- Preschool Reform Agreement.

3.140 This section also outlines evidence received on the effectiveness of these programs.

3.141 The Federal Government also agreed to fund a wage increase for the ECEC workforce through a worker-retention program. The payment runs from 2 December 2024 until 30 November 2026 and will fund:

- a wage increase of 15% above the applicable award rate
- a minimum additional 20% funding for eligible on-costs (calculated against base funding). Providers need to apply for the funding through a grants process, and are required to pass it on to ECEC workers.³⁹¹

Child Care Subsidy and Additional Child Care Subsidy

3.142 The CCS is administered by the Australian Department of Education. Commonwealth Family Assistance Law (an umbrella term for a series of legislation)³⁹² provides the framework for the CCS. In 2025-2026, the CCS cost an estimated \$16.2 billion.³⁹³

3.143 The CCS is intended to lower care expenses for families. Eligibility for families accessing the CCS is determined by various factors, including:

³⁹⁰ Submission 126, The Front Project, p 8.

³⁹¹ Australian Government Department of Education, *Early childhood wages* (24 April 2026) <https://www.education.gov.au/early-childhood/providers/workforce/wages>

³⁹² Note - these pieces of legislation are: *A New Tax System (Family Assistance) Act 1999* (Cth), *A New Tax System (Family Assistance) (Administration) Act 1999* (Cth), *Family Assistance Legislation Amendment (Jobs for Families Child Care Package) Act 2017* (Cth), *Family Assistance Legislation Amendment (Cheaper Child Care) Act 2022* (Cth), Child Care Subsidy Minister's Rules 2017 and Child Care Subsidy Secretary's Rules 2017.

³⁹³ Submission 137, Dr J Rob Bray PSM and Professor Matthew Gray, pp 3; 7.

- an activity test – how much parents or guardians work, study, are looking for work or volunteering – this determines the number of subsidised hours a family can receive
- the level of income of a family – incomes up to \$85,279³⁹⁴ are eligible for a 90 per cent CCS
- the fees charged by the service and the session length offered
- the number of children aged five and under attending ECEC – families with multiple children five and under attending ECEC are eligible for higher rates of subsidy
- a withholding rate to reduce risk of overpayment.³⁹⁵

3.144 The Additional Child Care Subsidy provides additional assistance to families with difficult or challenging circumstances, and usually covers all of a child's ECEC.³⁹⁶

3.145 In their submission, Dr J Rob Bray PSM and Professor Matthew Gray explained that in practice [t]he CCS is 'usually being paid to services on parents' behalf as an offset to the fees charged'.³⁹⁷

3.146 Of note, the CCS paid is calculated as a percentage of the hourly fee. However, there is an hourly rate cap set by the Australian Government. Therefore, if a service charges fees beyond the hourly rate cap, these are unsubsidised.³⁹⁸

3.147 Providers seeking access to the CCS must also meet a range of eligibility requirements, including that they must:

- be a centre-based day care, OSHC, family day care or in home care
- hold a National Law approval or licence (or relevant state or territory approval)
- ensure the person with management or control is 'fit and proper'
- be financially viable (applies to large providers)
- meet quality and safety requirements – this takes into account assessment ratings under NQS, serious incidents, conditions placed on the service

³⁹⁴ Australian Government Department of Education, *Child Care Subsidy*, <https://www.education.gov.au/early-childhood/providers/child-care-subsidy>

³⁹⁵ Australian Government Productivity Commission, *A path to universal early childhood education and care Inquiry report – volume 1*, Report no. 106, 28 June 2024, p 17.

³⁹⁶ Australian Government Department of Education, *Additional Child Care Subsidy*, (17 June 2025) <https://www.education.gov.au/early-childhood/providers/additional-child-care-subsidy>.

³⁹⁷ Submission 137, Dr J Rob Bray PSM and Professor Matthew Gray, p 3.

³⁹⁸ Australian Government Productivity Commission, *A path to universal early childhood education and care Inquiry report – volume 1*, Report no. 106, 28 June 2024, p 17.

relating to quality and safety, any non-compliance with legislation relating to quality and safety, and whether the service quality and safety record has improved over time.³⁹⁹

- 3.148** The Australian Department of Education is also responsible for compliance with the CCS, and works with other government agencies, like the Australian Tax Office, to take enforcement action against providers who do not comply with Family Assistance Law.⁴⁰⁰

Commentary on the Child Care Subsidy

- 3.149** There was various commentary from inquiry participants about the CCS. This section provides evidence of the CCS contributing to the increase of for-profit provision in the sector, and effectiveness of the CCS in alleviating ECEC costs for families.

Expansion of for-profit from the Child Care Subsidy

- 3.150** Some inquiry participants argued that the CCS has been a contributing factor to the expansion of for-profit providers in the sector.
- 3.151** For example, Community Early Learning Australia suggested that '[f]ederal child care assistance and the Child Care Subsidy has skewed the rapid expansion of services towards private for-profit services'.⁴⁰¹ They argued that introducing child care fee subsidies and 'the removal of operational subsidies to the community sector' has caused 'disproportionate growth in private for-profit provision of early childhood education and care'.⁴⁰²
- 3.152** The Front Project expressed a similar sentiment, claiming that policies being undertaken at the same time of the creation of the National Quality Framework (NQF), including 'expanding the Child Case Subsidy - were deliberately designed to stimulate private sector investment and growth to meet increasing demand'. They argued that such changes were not limited to the NQF, but 'reflected a broader, decades-long trend of opening up the sector to private sector investment'.⁴⁰³

³⁹⁹ Australian Government Department of Education, *Check your eligibility*, Australian Government Department of Education (15 September 2025) <https://www.education.gov.au/early-childhood/providers/howto/approval/eligibility>.

⁴⁰⁰ Submission 137, Dr J Rob Bray PSM and Professor Matthew Gray, p 7.

⁴⁰¹ Submission 119, Community Early Learning Australia, p 15.

⁴⁰² Submission 119, Community Early Learning Australia, p 15.

⁴⁰³ Submission 126, The Front Project, p 4.

Effectiveness in alleviating early childhood education and care costs for families

- 3.153** In evidence to the committee, Mr Martin Stokie, Commissioner, Productivity Commission, spoke of the Commission's 2024 report regarding universal ECEC. He commented that the report 'made a lot of recommendations to the Federal Government around the funding that they should be providing, particularly in relation to the early childhood education and care Child Care Subsidy ...'.⁴⁰⁴ Mr Stokie described that the main focus of the report's recommendations was for 'funding effectively to be skewed towards lower income families ... [p]articularly for the lowest cohort, it would make it free for them'.⁴⁰⁵
- 3.154** For example, the report made a recommendation that the Australian Government modify the CCS to improve affordability and access. Some of the recommendations to modify include:
- removing the activity test
 - raising the subsidy rate for families with an annual income of \$80,000 or below to 100 per cent of the fee, up to and including the hourly rate cap
 - adjusting the CCS rate to taper down from 100 per cent by one percentage point for every \$5,000 above income of \$80,000.⁴⁰⁶
- 3.155** The Australian Government has not formally responded to this report. However, from 5 January 2026, they have removed the activity test and guaranteed that all CCS eligible families receive at least 72 hours of subsidised child care per fortnight.⁴⁰⁷

Inclusion Support Program

- 3.156** The ISP is also administered by the Australian Department of Education to fund and support ECEC services to include children with additional needs. Inclusion agencies in each state or territory support the program's delivery. The ISP has

⁴⁰⁴ Evidence, Mr Martin Stokie, Commissioner, Productivity Commissioner, 28 October 2025, p 31 in reference to the Australian Government Productivity Commission, *A path to universal early childhood education and care Inquiry report - volume 1*, Report no. 106, 28 June 2024.

⁴⁰⁵ Evidence, Mr Martin Stokie, Commissioner, Productivity Commissioner, 28 October 2025, p 36.

⁴⁰⁶ Australian Government Productivity Commission, *A path to universal early childhood education and care Inquiry report - volume 1*, Report no. 106, 28 June 2024, p 80.

⁴⁰⁷ Australian Government Department of Education, *3 Day Guarantee*, Australian Government Department of Education (21 January 2026) <https://www.education.gov.au/early-childhood/providers/child-care-subsidy/3-day-guarantee#toc-what-are-the-changes-to-ccs>.

three categories of support: professional support, specialist equipment or funding.⁴⁰⁸

- 3.157** The ISP is primarily available to centre-based day care, OSHC or Family Day Care that are CCS approved. Preschools, kindergartens and state and territory government occasional care are not eligible.⁴⁰⁹ However, community and mobile preschools in New South Wales may receive support under the NSW Government's Disability Inclusion Program.⁴¹⁰
- 3.158** Inclusion agencies work with services to identify barriers to inclusion, and help services to:
- build inclusion capability and capacity
 - develop a Strategic Inclusion Plan
 - provide access to the Specialist Equipment Library
 - help services apply for funding for more challenging barriers.⁴¹¹
- 3.159** A Strategic Inclusion Plan must be prepared to access the ISP. These plans should recognise the current inclusion capacity of a service, outline strategies and actions to improve and imbed inclusive practice, and record progress on strategies and actions.⁴¹²

Commentary on Inclusion Support Program

- 3.160** Inquiry participants primarily highlighted issues with the accessibility and availability of the ISP.
- 3.161** The Joint NFP submission noted that '[d]espite 1 in 5 NSW children being developmentally vulnerable, the Inclusion Support Program reached just 2.4% of children in CCS-approved services in 2022'.⁴¹³

⁴⁰⁸ Australian Government Department of Education, *Inclusion Support Program*, (30 October 2025) <https://www.education.gov.au/early-childhood/providers/extra-support/inclusion-support-program>.

⁴⁰⁹ Australian Government Department of Education, *Inclusion Support Program*, (30 October 2025) <https://www.education.gov.au/early-childhood/providers/extra-support/inclusion-support-program>.

⁴¹⁰ Submission 109, NSW Government, p 6.

⁴¹¹ Australian Government Department of Education, *Inclusion Agencies*, (1 October 2025) <https://www.education.gov.au/early-childhood/providers/extra-support/inclusion-support-program/inclusion-agencies> as referenced by Submission 129, Joint NFP Submission, p 17.

⁴¹² Australian Government Department of Education, *Inclusion Agencies*, (1 October 2025) <https://www.education.gov.au/early-childhood/providers/extra-support/inclusion-support-program/inclusion-agencies..>

⁴¹³ Submission 129, Joint NFP Submission, p 17.

- 3.162** Mr Martin Stokie, Commissioner, Productivity Commission, also commented on the accessibility of the ISP, stating that: 'It had narrowed down to almost only catering for those children with the greatest needs, which is perhaps appropriate. But, equally, it wasn't catering for all children. Even then, it wasn't catering for all children who had significant needs'.⁴¹⁴
- 3.163** The Multicultural Disability Advocacy Association of NSW noted the difficulties for families from culturally and linguistically diverse backgrounds accessing the ISP. They said that the 'Inclusion Support Program is helpful but hard to access, especially for families who need interpreters or support navigating complex systems'. They further claimed that '[d]ifficulties in navigating these programs is often compounded by the common experience of carer burnout and declining mental health for many family members'.⁴¹⁵
- 3.164** While not ISP specific, National Disability Services outlined the challenges with multiple funding models for children with additional needs. They argued that there should be '[b]etter coordination of funding systems (e.g., NDIS, Inclusion Support Program, state-based supports) to reduce complexity and ensure the needs of children with disability can be met appropriately by service providers'.⁴¹⁶
- 3.165** Finally, Mr Brendan Eady, Early Childhood Teacher, Sutherland Early Education Centre (Sutherland Shire Council), United Services Union, commented that the ISP does help, but in practice, 'often access is slow to process and falls short of what children and educators actually need'. He claimed that in his 'own service, we have children who need inclusion support but we can't access the funding that they actually require'.⁴¹⁷
- 3.166** Mr Eady also made an observation about the model of the ISP, stating that the 'intermediary model diverts resources towards the administration rather than the frontline support, creating a bureaucratic and under-resourced system unable to meet urgent needs'.⁴¹⁸
- 3.167** As a member of the United Services Union, Mr Eady told the committee there should be an 'urgent review of the Inclusion Support Program' as 'we need to look at removing barriers that delay and limit timely support for children with

⁴¹⁴ Evidence, Mr Martin Stokie, Commissioner, Productivity Commission, 28 October 2025, p 35.

⁴¹⁵ Submission 122, Multicultural Disability Advocacy Association of NSW, p 3.

⁴¹⁶ Submission 86, National Disability Services, p 15.

⁴¹⁷ Evidence, Mr Brendan Eady, Early Childhood Teacher, Sutherland Early Education Centre (Sutherland Shire Council), United Services Union, 28 October 2025, p 67.

⁴¹⁸ Evidence, Mr Brendan Eady, Early Childhood Teacher, Sutherland Early Education Centre (Sutherland Shire Council), United Services Union, 28 October 2025, p 67.

additional needs'. Mr Eady concluded that '[i]nclusion shouldn't depend on luck, postcode or paperwork; it should be given'.⁴¹⁹

Community Child Care Fund

- 3.168** The CCCF is also administered through the Australian Government Department of Education. It is a grants program that aims to address barriers to ECEC participation, particularly for regional and remote areas, Aboriginal communities and services in areas experiencing disadvantage.⁴²⁰
- 3.169** The inquiry received some evidence about the effectiveness of this grants program. Thrive Group Tasmania Inc explained that they receive '...operational funding through the Australian Government's Community Child Care Fund (CCCF), which assists with service viability, sustainability, and affordability'.⁴²¹
- 3.170** The Productivity Commission's report on 'A path to universal early childhood education and care' commented on the CCCF, noting that the '...amount of funding available is limited, as the CCCF has an annual budget of \$150 million, and eligibility conditions can be overly restrictive'.⁴²²

Preschool Reform Agreement

- 3.171** The Preschool Reform Agreement (the Agreement) and preschool fee relief is delivered through Start Strong.⁴²³ The Preschool Reform Agreement provides Australian Government funding to states and territories to support participation in preschool. It was signed in 2022, and ends in June 2026. The total funding for the Agreement is \$1.84 billion. The funding provides about \$1,400 per child to support their participation in preschool.⁴²⁴
- 3.172** As explained by Dr J Rob Bray PSM and Professor Matthew Gray in their submission, '[t]he funding is provided on the basis that it "follows the child", that

⁴¹⁹ Evidence, Mr Brendan Eady, Early Childhood Teacher, Sutherland Early Education Centre (Sutherland Shire Council), United Services Union, 28 October 2025, p 67.

⁴²⁰ Australian Government Department of Education, *Community Child Care Fund*, (23 December 2025) <https://www.education.gov.au/early-childhood/providers/extra-support/community-child-care-fund>.

⁴²¹ Submission 128, Thrive Group Tasmania Inc, p 2.

⁴²² Australian Government Productivity Commission, *A path to universal early childhood education and care Inquiry report – volume 1*, Report no. 106, 28 June 2024, p 15.

⁴²³ Answers to supplementary questions, Mr Murat Dizdar, Secretary and Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes, NSW Department of Education, 16 September 2025, p 10.

⁴²⁴ Submission 137, Dr J Rob Bray PSM and Professor Matthew Gray, p 5.

is it is allocated to where the child receives preschool, and can be used as a fee offset'.⁴²⁵

3.173 Some inquiry participants commented on the Agreement. For example, the Australian Education Union NSW Teachers Federation welcomed the Agreement, but noted that it 'does not preface the importance of public provision versus "for-profit"'.⁴²⁶

3.174 The Independent Education Union of Australia NSW/ACT Branch outlined that for-profit ECEC long day care services can receive funding through the CCS and the Agreement:

Long day care services are funded by the Federal Government and have access to the Child Care Subsidy to reduce fees for parents. ...Long day care services also receive \$1,055 per child plus a loading of up to \$528 for equity enrolments from the State Government through the National Preschool Reform Agreement.⁴²⁷

3.175 In this context, the Independent Education Union of Australia NSW/ACT Branch argued that 'State and Federal funding of the sector should be rationalised and we press the Federal Government to withdraw National Preschool Reform Agreement funding for for-profit ECEC'.⁴²⁸

Government subsidies to large for-profit providers

3.176 The availability of government funding to for-profit providers compared to not-for-profit providers was raised during the inquiry.

3.177 Divergent Education argued that the 'current distribution of government funding programs demonstrates systemic inequity', because '[l]arge for-profit providers receive disproportionately high levels of grant support, despite already operating at significant profit margins and possessing considerable administrative infrastructure'.⁴²⁹ Divergent Education added that 'smaller not-for-profit and community-managed services, many of which operate in high-need or rural areas, face significant barriers to accessing these same grants due to limited staffing and administrative capacity'.⁴³⁰

3.178 Divergent Education provided examples of this relating to the Professional Development and Paid Practicum Subsidy Program:

⁴²⁵ Submission 137, Dr J Rob Bray PSM and Professor Matthew Gray, p 5.

⁴²⁶ Submission 156, Australian Education Union NSW Teachers Federation, p 6.

⁴²⁷ Submission 72, Independent Education Union of Australia NSW/ACT Branch, p 19.

⁴²⁸ Submission 72, Independent Education Union of Australia NSW/ACT Branch, p 19.

⁴²⁹ Submission 136, Divergent Education, p 3.

⁴³⁰ Submission 136, Divergent Education, p 3.

- Affinity Education Group received \$1,569,755.30 in 2024, while reporting a \$5.9 million profit in 2023 and benefiting from additional incentives via partnered training organisation
- G8 Education received \$3,414,967.08 in 2024, while reporting a \$56 million profit in 2023.⁴³¹

3.179 Local Government NSW stated that while councils use their remit to ensure a diverse range of services are approved in their community, they are concerned that policy allows large for-profit providers to receive government support when smaller providers are financially struggling:

Councils support and use their planning powers to approve a diverse range of ECEC services within their community, recognising that service variety is essential to meeting local needs and supporting a thriving economy. However, there is growing concern about policy settings that allow large, for-profit, private equity-backed providers to access substantial government subsidies – while smaller, not-for-profit centres often struggle to remain financially viable.⁴³²

Disclosure of information about Child Care Subsidy payments to large for-profit providers

- 3.180** Large for-provider providers who gave evidence to the inquiry were requested to provide information about CCS funding they have received.
- 3.181** Busy Bees provided two tables outlining NSW Government and CCS government subsidies and funding received.
- 3.182** Figure 10 outlines the category of funding from 2020 to 2024, the number of services receiving the funding, and the amount received.

⁴³¹ Submission 136, Divergent Education, p 3.

⁴³² Submission 115, Local Government NSW, p 17.

Figure 10 Busy Bees – government funding or subsidies received across centres from 2020 to 2024⁴³³

Category	2020	2021	2022	2023	2024
Start Strong Funding for 3-year-olds					
Number of services receiving funding				16	17
Total funding received				\$229,629	\$282,244
Start Strong Funding for 4-year-olds					
Number of services receiving funding	12	17	16	16	17
Total funding received	\$376,110	\$321,338	\$313,867	\$558,228	\$658,202
Entitlement Apprenticeships and Traineeships					
Total funding received	\$285,904	\$268,935	\$326,235	\$248,659	\$451,538

⁴³³ Answers to supplementary questions, Ms Kerin McMahon, Chief Operations Officer, Busy Bees and Ms Leanne Cain, Chief Pedagogy and Safeguarding Officer, Busy Bees, 21 November 2025, p 22.

3.183 Figure 11 outlines the value of federally funded CCS payments received by Busy Bees from 2020 to 2024, in Australia and New South Wales.

Figure 11 Busy Bees – value of federally funded Child Case Subsidy payments received from 2020 to 2024 in Australian and New South Wales⁴³⁴

Australia

Year	Child Care Subsidy Payments (\$m)
2020	\$48.8
2021	\$93.4
2022	\$188.0
2023	\$213.6
2024	\$232.5

New South Wales

Year	Child Care Subsidy Payments (\$m)
2020	\$9.7
2021	\$17.3
2022	\$27.0
2023	\$31.8
2024	\$34.9

3.184 Affinity noted that the CCS is paid directly to the approved provider on a family's behalf, and that the amount varies depending on the 'number of children enrolled, their family circumstances, and attendance levels'. They further referred the committee to the Federal Government for specific information on subsidies paid.⁴³⁵

3.185 G8 referred the committee to their annual reports for financial disclosures.⁴³⁶

⁴³⁴ Answers to supplementary questions, Ms Kerin McMahon, Chief Operations Officer, Busy Bees and Ms Leanne Cain, Chief Pedagogy and Safeguarding Officer, Busy Bees, 21 November 2025, p 23.

⁴³⁵ Answers to supplementary questions, Mr Tim Hickey, former Chief Executive Officer and Mr Glen Hurley, Senior Advisor – Quality and Safety, Affinity Education Group, 22 October 2025, pp 4-5.

⁴³⁶ Answers to supplementary questions, Mr Pejman Okhovat, Chief Executive Officer, G8 Education and Ms Josie King, Chief Legal and Risk Officer, G8 Education, 22 October 2025, pp 7-8.

- 3.186** OAC did not directly address the request to provide information about CCS funding received.⁴³⁷
- 3.187** Little Zak's Academy referred the committee to the NSW Department of Education for this information.⁴³⁸

Committee comment

- 3.188** The committee heard that for-profit providers operate nearly 70 per cent of all centre-based early childhood education and care services in Australia. According to the NSW Department of Education, in New South Wales, there are 431 for-profit providers that operate multiple services.⁴³⁹ As such, they account for a significant portion of the market and are responsible for the education and care of many of our state's children.
- 3.189** Throughout the inquiry, issues with large for-profit providers became particularly salient. It was critical to the committee that it examine the models of such providers. The committee had the opportunity to hear from five large for-providers who operate in New South Wales: Affinity Education Group (Affinity), G8 Education (G8), Only About Children (OAC), Little Zak's Academy (Little Zak's) and Busy Bees. These providers operate between 47 (Little Zak's) and 400 (G8) centres across Australia.
- 3.190** We note the differences in their corporate structures: OAC and Busy Bees are both owned by international companies, G8 is listed on the ASX, Affinity is owned by private equity, and Little Zak's operates as multiple privately owned companies.
- 3.191** The committee notes the evidence given in relation to financial incentive schemes for centre managers based on factors including profitability and occupancy rates and expresses concern that these incentive schemes act as a both an encouragement for cost-cutting behaviour and a discouragement for reporting safety issues at centres. Taken together with evidence from witnesses who had firsthand experience working within services managed by large for-profit providers, the committee is confident that there exists within these organisations a culture of profit-seeking that can be in conflict with, and compromise, their stated priority of child safety and wellbeing.

⁴³⁷ Answers to supplementary questions, Ms Anna Learmonth, CEO, Only About Children and Ms Ros Marshall, OBE, Managing Director, International - Bright Horizons, 22 October 2025, pp 1-4.

⁴³⁸ Answers to supplementary questions, Ms Angela Marakovic, Head Of Operations, Ms Tracey Jones, Head of Compliance and Mr Richard Bell, CEO - PMC, Little Zak's Academy, 25 November 2025, pp 3-4.

⁴³⁹ Answers to questions on notice, NSW Department of Education, 16 September 2025, p 8.

- 3.192** Incredibly, the committee heard that the Chief Executive Officers of these providers earn between \$400,000 and \$1.53 million base salary per year, with very large bonuses, dividends or other payments on top. It is obvious to the committee that the primary motivation of large for-profit providers is to make profit.
- 3.193** These lucrative salaries are particularly unpalatable given the safety issues attributed to large for-profit providers. For-profit providers are proportionally rated lower than not-for-profit and other providers. They also spend less on staffing and have more staffing waivers, which impacts negatively on quality and safety. Compliance actions, such as cancellations of approval, compliance, notices and directions, emergency action notices and enforceable undertakings, are overwhelmingly taken against large for-profit providers. This is extremely concerning, and leads the committee to find that in general, large for-profit providers are of a lower quality and less safe for children than not-for-profit and other management types of ECEC services.

Finding 3

That, in general, large for-profit providers are of a lower quality and are less safe for children than not-for-profit (including government and community run) early childhood education and care services.

- 3.194** Affinity is one large for-provider owned by a private equity firm. The committee heard troubling evidence about the issues arising from the increasing role of private equity in the sector. Private equity involves purchasing businesses, increasing their profitability and selling them off for a profit in a short period of time. To increase profitability, providers often focus on increasing occupancy of their centres, and cutting costs such as total wages, maintenance and food.
- 3.195** The committee is firmly of the view that the safety, rights and best interests of children must be the central priorities of any business providing ECEC services. Based on evidence received, the committee recognises that the private equity model's priority on maximising profit in a short period of time rather than creating a longer-term successful business enterprise significantly endangers the quality and safety of ECEC services, in turn impacting the safety, rights and best interests of children. As such, the committee finds that private equity backed services have no place in the ECEC sector.

Finding 4

That private equity backed services have no place in the early childhood education and care sector.

- 3.196** Unfortunately, the committee heard there are significantly more ECEC places available for children in higher socioeconomic areas and major cities, than those in lower socioeconomic areas and regional and remote areas. Given the primary motivation of for-profit providers is to make profit, the committee also notes that these providers will set up operations where financial returns are the highest, such as cities and higher socioeconomic areas.
- 3.197** In contrast, not-for-profit services must invest profits back into their services. Therefore, the committee was persuaded that these services often prioritise local needs and social outcomes. In line with this purpose, it was apparent to the committee that not-for-profit providers are more likely than for-profits to operate in lower socioeconomic areas, and remote areas. The committee is concerned by evidence that shows for-profit long day care service provision has had the most growth in the sector. Concurrently, not-for-profit service provision has declined.
- 3.198** Based on the evidence received, the committee accepts that the distribution of ECEC services is unequal. This is disappointing and unfair, as all children and families deserve the opportunity to access high-quality ECEC. Therefore, the committee finds that the availability of high-quality ECEC should not be dictated by postcode or income. As a result, the committee recommends that the NSW Government focus funding towards services in areas where there is a relative scarcity of high quality services.

Finding 5

That the availability of high-quality early childhood education and care should not be dictated by postcode or income.

Recommendation 2

That the NSW Government focus funding towards services in areas where there is a relative scarcity of high quality services.

- 3.199** The committee notes that many community-run preschools and other not-for-profit ECEC services have historically had the benefit of favourable lease or other arrangements to operate on land owned by State and local governments, and is concerned that the ongoing viability of many of those services may be reliant on the continuation of those arrangements. Accordingly, the committee recommends that the NSW Government revise Start Strong funding to ensure community-run preschool or not-for-profit early childhood education and care services are not forced to close down or significantly increase fees due to the expiry or revocation of a favourable lease or other arrangement with the State or a NSW local council.

Recommendation 3

That the NSW Government revise Start Strong funding to ensure community-run preschool or not-for-profit early childhood education and care services are not forced to close down or significantly increase fees due to the expiry or revocation of a favourable lease or other arrangement with the State or a NSW local council.

3.200 The NSW Government's primary policy related to sector composition is doubling the number of publicly run preschool services in the state over just four years. As such, the committee recommends that the NSW Government develop and introduce a policy about the composition of the ECEC sector, which uses government funding and other levers (including through CEOF funding prioritising the expansion of high-quality, not for profit-providers and by facilitating the provision of favourable lease arrangements for services to run on land owned by State and local governments) to:

- reduce the overall percentage of large for-profit providers and services, and
 - increase the overall percentage of not-for-profit, government-run and community-run providers and services.
-

Recommendation 4

That the NSW Government develop and introduce a policy about the composition of the early childhood education and care sector, which uses government funding and other levers (including through Childcare and Economic Opportunity Fund funding prioritising the expansion of high-quality, not for profit-providers and by facilitating the provision of favourable lease arrangements for services to run on land owned by State and local governments) to:

- reduce the overall percentage of large for-profit providers and services, and
 - increase the overall percentage of not-for-profit, government-run and community-run providers and services.
-

3.201 The committee was concerned about the lack of transparency surrounding the operational and financial information of providers, particularly for-profit providers. While ASX listed companies are required to release operational and financial information, this is not the case for other providers. Given the significant amount of government money received by these services, there must be greater public transparency around where this money is going.

3.202 The committee was interested to hear about the material disclosed through My Aged Care, and sees value in the ECEC sector taking a similar approach. To this end, the committee recommends that the NSW Government urge the Australian Government to:

- require providers to disclose financial, operational and other information, similar to the material released on My Aged Care
 - publish this information in an easily digestible format, likely on StartingBlocks.
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Recommendation 5

That the NSW Government urge the Australian Government to:

- require providers to disclose financial, operational and other information, similar to the material released on My Aged Care
 - publish this information in an easily digestible format, likely on StartingBlocks.
-

3.203 The committee was concerned to learn about the role of the real estate sector in shaping the decisions about where services are established. This can mean less availability of services in less financially viable areas. As such, the committee finds that real estate developers and investors are influencing decisions about where new ECEC services are established, which has subsequently impacted on the availability of services in lower socioeconomic areas, and non-metro areas.

Finding 6

That real estate developers and investors are influencing decisions about where new early childhood education and care services are established, which has subsequently impacted on the availability of services in lower socioeconomic areas, and non-metro areas.

3.204 The committee was surprised to learn about the relationship between the real estate and ECEC sectors. In short, the real estate sector (often large corporate landlords) own properties which ECEC providers lease to operate their services. It is rare for a provider to own the premises they operate.

3.205 The committee heard that ECEC sector investment offers many benefits to these corporate landlords – leases are often long-term, stable and the land value of ECEC premises are high. The leases mostly used – triple net lease structures – overwhelmingly benefit landlords. The operator is responsible for property expenses, insurance, structural repairs and maintenance. The landlord's only cost is the mortgage or other financing costs for the property and major structural issues. Leases also often include ratchet clauses which result in regular scheduled rental increases.

3.206 In addition, the committee understands there are significant transparency issues in terms of the role the real estate sector plays in ECEC. Public information

about the extent of involvement of the real estate sector is limited, and the proportion of fees and government subsidies going to rents is also unclear. Accordingly, the committee is concerned that an increasing proportion of fees and government subsidies are effectively being siphoned off to real estate investors and associated finance vehicles rather than being used for the core operations of ECEC services. To address these issues, the committee recommends that the NSW Government investigate models of regulating rents in the ECEC sector. Additionally, the government should take action, where possible, to increase transparency around the role of the real estate sector in the ECEC sector, including by requiring the release of information about the proportion of fees and government subsidies being paid by providers towards rent.

Recommendation 6

That the NSW Government investigate models of regulating rents in the early childhood education and care sector.

Recommendation 7

That the NSW Government take action, where possible, to increase transparency around the role of the real estate sector in the early childhood education and care sector, including by requiring the release of information about the proportion of fees and government subsidies being paid by providers towards rent.

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- 3.207** The Australian and NSW Governments provide significant funding and subsidies to the ECEC sector.
- 3.208** The Child Care Subsidy (CCS) is administered by the Australian Government and aims to lower care expenses for families. The committee notes the arguments put forward by inquiry participants that the introduction of the CCS led to an increase in private sector investment in the ECEC sector, and that such investment was encouraged to meet increasing demand for services.
- 3.209** While the CCS's stated intention is to lower care expenses for families, it is apparent that the cost of ECEC services is still a significant barrier for families. This was noted in the Productivity Commission's report 'A path to universal early childhood education and care', which made recommendations to amend the CCS to improve affordability and access to ECEC services. The Australian Government has introduced measures in this space. From 5 January 2026 the activity test has been removed from the CCS and introduced a guarantee that all CCS eligible families receive at least 72 hours of subsidised care per fortnight. The committee welcomes reforms which broaden access to the CCS. However, we feel the Australian Government should review the impact that subsidies are having on the ECEC sector and whether further reforms are required to ensure that Federal government funding is resulting in higher-quality services across all parts of

Australia and not just lining the pockets of for-profit entities at the expense of greater Government and family spending on ECEC services as a whole. As such, the committee recommends that the NSW Government call on the Australian Government to fully investigate other models of public funding (such as direct funding for services, or subsidies being limited to services with fee caps and/or profit caps) as an alternative to the current ECEC funding mechanisms.

Recommendation 8

That the NSW Government call on the Australian Government to fully investigate other models of public funding (such as direct funding for services, or subsidies being limited to services with fee caps and/or profit caps) as an alternative to the current early childhood education and care funding mechanisms.

- 3.210** The Inclusion Support Program (ISP) is also administered by the Australian Government and intends to provide funding and support to ECEC services to include children with additional needs. The committee strongly supports programs which improve access to, and experience of, children with disability in ECEC. However, the committee was disappointed to hear that the ISP is difficult and slow to access, and only available to a small proportion of children who need additional supports.
- 3.211** These challenges are compounded for families from culturally and linguistically diverse backgrounds, who can require interpreters or other supports navigating these systems. As such, the committee recommends that the NSW Government urge the Australian Government to improve the accessibility and availability of the ISP, including for children and families from culturally and linguistically diverse backgrounds.
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Recommendation 9

That the NSW Government urge the Australian Government to improve the accessibility and availability of the Inclusion Support Program, including for children and families from culturally and linguistically diverse backgrounds.

- 3.212** The committee heard conclusive evidence that community preschools in New South Wales have low rates of safety breaches and offer in general far higher levels of quality education than other types of ECEC services. The committee agrees that the NSW Government's lack of funding of community preschools is leading to workforce retention and attraction issues and is endangering the ongoing operation of community preschools across the state. As the primary source of funding for community preschools, the committee finds that the NSW Government has a responsibility to ensure they receive funding at a level that enables them to provide teachers and educators with fair wages and conditions
-

without needing to significantly increase fees for families. The committee is deeply concerned with the NSW Government's stubborn refusal to properly fund community preschools and notes in particular that its introduction instead of the Expanding Quality Access program that seeks to convert community preschools into centres akin to long daycare centres is disrespectful of teachers and educators in those community preschools and to the children and families they serve. The committee further notes its concern with any attempts by the NSW Government that prioritises pushing ECEC services towards operating models that attract greater Federal government funding and less State funding rather than focusing on the safety and quality of NSW ECEC services.

Recommendation 10

That the NSW Government work with the Independent Education Union of Australia, Community Early Learning Australia and United Workers Union to address workforce attraction and retention challenges by fully funding community preschools and enabling teachers and educators to be provided with fair pay and conditions.

Chapter 4 Key issues in the early childhood education and care sector

This chapter examines some of the key issues in the early childhood education and care sector. Firstly, it considers the effectiveness of the New South Wales Early Childhood Education and Care Regulatory Authority, including issues with assessment and rating, approach to compliance breaches and transparency. It then examines the Independent Review into the NSW Early Childhood Education and Care Regulatory authority, including the conduct of the review, and recommendations from it. The chapter then outlines the effectiveness of the Working with Children Checks scheme. It goes on to assess the issues facing the early childhood education and care workforce, and the training institutions and qualifications for the sector. Finally, it considers the experience of children with disability in early childhood education and care.

Effectiveness of the NSW Early Childhood Education and Care Regulatory Authority

- 4.1** As outlined in Chapter 2, the National Quality Framework (NQF) is the regulatory framework for early childhood education and care (ECEC) across Australia.⁴⁴⁰ In New South Wales, the NSW Early Childhood Education and Care Regulatory Authority (NSW ECEC RA) was responsible for the regulation of ECEC services and administration of the NQF.⁴⁴¹
- 4.2** From 1 December 2025, the NSW Government established the NSW Early Learning Commission, separate from the Department of Education and directly responsible to the Education Minister, to regulate the sector.⁴⁴² Upon its establishment, the Early Learning Commission had substantially the same legislative powers and staff as the former NSW ECEC RA did. Given the hearing dates of this inquiry were held prior to 1 December 2025, the committee heard evidence about the effectiveness of the NSW ECEC RA prior to the establishment of the Early Learning Commission, which is reflected in this report.
- 4.3** Significant commentary on the effectiveness of the NSW ECEC RA was received. This is examined through the following topics:
- assessment and rating
 - provider and service approval and approach to compliance breaches
 - resourcing

⁴⁴⁰ Submission 109, NSW Government, p 3.

⁴⁴¹ Submission 109, NSW Government, p 3.

⁴⁴² Media Release, Hon Courtney Houssos MLC, Acting Minister for Education and Early Learning, 'New independent regulator to drive early learning and care reform', 29 November 2025.

- transparency.

Assessment and rating

- 4.4** As mentioned in Chapter 2, ratings of services are determined by Authorised Officer's undertaking assessment against the National Quality Standards (NQS). The ratings available are: significant improvement required, working towards, meeting, exceeding and excellent.⁴⁴³
- 4.5** For context, in New South Wales as at June 2025, of those services which had been rated, 93 per cent of services in New South Wales were rated as meeting or above the NQS. The national average is 91 per cent.⁴⁴⁴
- 4.6** Evidence was received about different aspects of the assessment and rating framework and process. This is considered by the following:
- subjectivity of the assessment and ratings process
 - NSW ECEC RA internal risk ratings
 - frequency
 - manipulation of the assessment and rating process
 - whether ratings indicate quality and safety.

Subjectivity of the assessment and ratings process

- 4.7** Inquiry participants raised that the assessment and rating process can be subjective, and that the NQS lacks measurable benchmarks.
- 4.8** Dr Erin Harper, Lecturer in Early Childhood Education, University of Sydney, spoke of research conducted on educator's views on the assessment and rating process. This research suggested that educators 'don't believe that it is a valid rating of services' and 'have concerns around reliability'. Dr Harper said that educators 'feel that it's very subjective and that different assessors seem to be looking for or expecting different kinds of evidence or standards'. Dr Harper suggested that 'there needs to be more clarity for everyone—for services but also for authorised officers—around what is expected to meet the different rating levels'.⁴⁴⁵
- 4.9** This view was shared by Local Government NSW, who expressed that there is a greater need for consistency with the assessment and rating process. Councils

⁴⁴³ Education and Care Services National Regulations, r 57.

⁴⁴⁴ Evidence, Mr Murat Dizdar, Secretary, NSW Department of Education, 13 August 2025, p 2.

⁴⁴⁵ Evidence, Dr Erin Harper, Lecturer in Early Childhood Education, University of Sydney, 28 October 2025, p 28.

have indicated 'unclear or varying requirements for documentation, irregular intervals between assessments (particularly in cases of partial assessments) and differing approaches taken by assessors'.⁴⁴⁶

- 4.10** Similarly, the Joint NFP submission explained they had experienced 'variability in assessment approaches and interpretation, which may reflect the challenges of training new staff in a complex and fast-moving environment'.⁴⁴⁷
- 4.11** In relation to the NQS, Ms Karen Kearns, Chief Executive Officer and Director of Studies, International Child Care College, argued it lacks measurable benchmarks, for example: '...if you're going to say to someone, "You're either doing this or you're not doing this", you have to be able to measure it. If you say things like "working around" or "thinking about" or "intentional" or "unintentional", what does that mean? How do you measure that?'.⁴⁴⁸ Given this, Ms Kearns advocated for benchmarking standards to be clear and measurable.⁴⁴⁹
- 4.12** Dr Linda Newman and Professor Marianne Fenech gave evidence that assessors themselves are often under-qualified (diploma-level, not degree-qualified), don't understand what they're assessing, and make inconsistent judgements.⁴⁵⁰

NSW Early Childhood Education and Care Regulatory Authority internal risk ratings

- 4.13** Inquiry participants spoke about the risk ratings of ECEC services held privately by the NSW ECEC RA. These are not made public, and were said to assist the NSW ECEC RA in determining how to prioritise their work, amongst other things.⁴⁵¹ Inquiry participants' views varied on whether or not these internal ratings should be made public.
- 4.14** Mr Craig Bennett, General Manager Policy and Regulatory Systems, Australian Children's Education and Care Quality Authority, explained that risk ratings are used by NSW ECEC RA, with other criteria, to determine frequency of visits: 'it's a regulatory tool that looks at things like the number of breaches, the quality rating time since visit and the provider type'.⁴⁵²

⁴⁴⁶ Submission 115, Local Government NSW, p 12.

⁴⁴⁷ Submission 129, Joint NFP Submission, p 10.

⁴⁴⁸ Evidence, Ms Karen Kearns, Chief Executive Officer and Director of Studies, International Child Care College, 14 August 2025, p 38.

⁴⁴⁹ Evidence, Ms Karen Kearns, Chief Executive Officer and Director of Studies, International Child Care College, 14 August 2025, p 39.

⁴⁵⁰ Evidence, Dr Linda Newman School of Education, The University of Newcastle and Professor Marianne Fenech, The University of Sydney, 13 August 2025, p 18.

⁴⁵¹ Evidence, Mr Chris Wheeler PSM, Consultant, 23 September 2025, p 33.

⁴⁵² Evidence, Mr Craig Bennett, General Manager Policy and Regulatory Systems, Australian Children's Education and Care Quality Authority, 14 August 2025, p 55.

- 4.15** While Mr Nicholas Backo, Acting Executive Director, NSW Early Childhood Education and Care Regulatory Authority, commented on the use of risk ratings, advising the highest risk services in New South Wales are visited on average five times, compared to the general average of two times.⁴⁵³ He also said that compliance actions will be stronger for higher risk services.⁴⁵⁴
- 4.16** In response to a question about whether these ratings reports should be published, Ms Leanne Cain, Chief Pedagogy and Safeguarding Officer, Busy Bees, responded '[y]es', noting that 'anything that can drive up quality and allow families to have that transparency into how an approved provider operates—we would welcome any changes like that.'⁴⁵⁵
- 4.17** However, Mr Chris Wheeler PSM, Consultant, disagreed, arguing that services may implement temporary measures when they know a visit is coming to bring down their risk rating:

... [I]f you're going to be doing announced visits and they've realised that their risk rating is very high, then they might put far more effort into temporary measures. I had people telling me about temporary measures being taken when people either knew or suspected they were about to be visited.⁴⁵⁶

Frequency

- 4.18** Inquiry participants commented on the frequency of assessment and rating, for example, the Front Project claimed that 'NQF assessment and rating system only measures quality on a periodic basis, with some services not assessed and rated for 3-5 years at a time'.⁴⁵⁷
- 4.19** The Joint NFP Submission outlined that '27% of services in NSW have not been assessed for more than four years, including 11 services previously assessed as Working Towards. 88 Working Towards services have an assessment more than 2 years old'.⁴⁵⁸
- 4.20** When asked why there was never a mandate for frequency of assessment and rating, Ms Gabrielle Sinclair, Chief Executive Officer, Australian Children's Education and Care Quality Authority, explained that when the NQF was agreed,

⁴⁵³ Evidence, Mr Nicholas Backo, Acting Executive Director, New South Wales Early Childhood Education and Care Regulatory Authority, 28 October 2025, p 48.

⁴⁵⁴ Evidence, Mr Nicholas Backo, Acting Executive Director, New South Wales Early Childhood Education and Care Regulatory Authority, 28 October 2025, p 60.

⁴⁵⁵ Evidence, Ms Leanne Cain, Chief Pedagogy and Safeguarding Officer, Busy Bees, 23 September 2025, p 52.

⁴⁵⁶ Evidence, Mr Chris Wheeler PSM, Consultant, 23 September 2025, p 35.

⁴⁵⁷ Submission 126, The Front Project, p 16.

⁴⁵⁸ Submission 129, Joint NFP submission, p 10.

there was discussion about an 'aspirational target of every service being assessed and rated every three years'. However, compliance, checking on complaints and spot checks 'gazumped' assessment and rating. As such, the aspirational target was never mandated.⁴⁵⁹

Manipulation of the assessment and rating process

4.21 Some inquiry participants told the committee that the assessment and rating process can be manipulated to suggest a service is higher quality than it is in actuality.

4.22 Ms Cheyanne Carter, Chief Executive Officer and Founder of Divergent Education, gave a personal example of this. She explained that centres can temporarily bring in experienced educators or directors to correct issues provisionally and answer questions during assessment and ratings:

As a director or as an experienced educator, we were sent to services prior to assessment and rating to clean up anything that needed to be fixed. In my role as a director, I would go through the compliance records and identify gaps in records and ask the director to fill those gaps. Quite often, on the day when the officers were attending, we would have the educators from various other centres of the company come and fill in, because we were more experienced and could answer their questions more proficiently. We did this to ensure that we had that "exceeding" rating, or to ensure that we were at least "meeting". Being a part of this team was spotlighted. It was something to be proud of—which is horrible, looking back now.⁴⁶⁰

4.23 Likewise, Ms Christine Scott, Educator Member, United Workers Union, shared a similar account about working at a for-profit service using resources from a different service for the purposes of assessment and rating:

When A&R [came] up—because you know it's coming—they got resources from a sister centre and brought that into the service. Then they got educators from the sister centre and brought them into the service for the day. The day after the A&R, they fired the ed leader, and within a month all staff were removed from the service, with a whole new set of staff.⁴⁶¹

Whether ratings indicate quality and safety

4.24 Evidence was received about the accuracy of ratings reflecting the quality and safety of a service.

⁴⁵⁹ Evidence, Ms Gabrielle Sinclair, Chief Executive Officer, Australian Children's Education and Care Quality Authority, 14 August 2025, p 52.

⁴⁶⁰ Evidence, Ms Cheyanne Carter, Chief Executive Officer & Founder of Divergent Education, 13 August 2025, p 26.

⁴⁶¹ Evidence, Ms Christine Scott, Educator Member, United Workers Union, 13 August 2025, p 59.

- 4.25** In relation to safety, Ms Kay Turner, Chief Executive Officer, SDN Children's Services, argued that while minimum standards relating to the physical environment might be met, this doesn't reflect how teams work together, which is what significantly contributes to safety. She argued assessment should be improved by looking at this aspect of safety:

Within the quality standards, the safety element standard covers a really wide range of things. It doesn't pick up human behaviour in the moment and how people are assessing risk on a moment-to-moment, day-to-day basis. When a service is assessed... all the things can be in place—your property can be safe, your first aid kit can be up to date, the right staff might be there ... but it doesn't assess how those people on a day-to-day basis adjust when things change, when children change, when you have casuals onsite rather than your permanent staff and so on.

... [T]he assessment and rating point in time needs to look at how the teams work together. There is certainly room for improvement in how those assessments happen and how a well-funded regulator who understands how services work can assess those more nuanced things and can see how those safety elements can integrate with the quality elements.⁴⁶²

- 4.26** Other inquiry participants commented on the ratings system positively, suggesting that higher rated services have children with better outcomes, and that higher rated services reflect higher quality and safer services. For example, Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, outlined evidence from the Australian Early Development Census on the effectiveness of the ratings system in determining children's development. This research found that services which are meeting or exceeding are more likely to have children coming out developmentally on track, and less likely to be developmentally vulnerable, than services which are working towards the NQF:

... [S]ervices that are exceeding the National Quality Standard have children coming out of it who are more likely to be developmentally on track and less likely to be developmentally vulnerable. That holds for services which are meeting the National Quality Standard. They are more likely to have children who are developmentally on track and less likely to be developmentally vulnerable than services which are working towards the National Quality Standard. I found that a very heartening piece of research because it told us that the National Quality Standard is measuring the right things. We know how to ensure that the quality of service that children receive actually makes a difference when they hit school and on how school ready they are.⁴⁶³

⁴⁶² Evidence, Ms Kay Turner, Chief Executive Officer, SDN Children's Services, 28 October 2025, p 12.

⁴⁶³ Evidence, Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, 28 October 2025, pp 5-6.

4.27 The Joint NFP submission outlined that '[d]ata shows that higher-quality services are safer services - ACECQA has found that services rated Working Towards the NQS have breach rates five times higher than those rated Exceeding'.⁴⁶⁴

4.28 Other inquiry participants commented on the availability of a 'working towards' rating. Ms Georgie Dent, Chief Executive Officer, the Parenthood, remarked that parents are surprised to learn there is a 'working towards' rating, considering this suggests a service is failing to meet minimum standards:

The idea for parents that there can be a Working Towards rating, which by definition means we're not meeting because we're working towards—that there's not actually an intervention of some kind. Again, I'm making the health analogy, but if a hospital or a school is identified, particularly if safety is at risk, there's a response. It's not, "Okay, sorry you miss out this time. We'll come back in five years time and see how you're going." I think that, for parents, is quite shocking to confront that.⁴⁶⁵

4.29 During evidence, Ms Gabrielle Sinclair, Chief Executive Officer, Australian Children's Education and Care Quality Authority, was asked about the 'working towards' rating and the implication for parents and carers that a service is not meeting necessary standards. Ms Sinclair commented that the NQF intends for services to continuously improve, but she acknowledged the lack of clarity for parents and carers with this system:

There was always an idea of, "How do you encourage services to keep improving?" I absolutely take your point ... you even heard today witnesses who don't really get why you would have "working towards". "Why don't you just have 'met' or 'not met'?" It's my understanding from looking at all the documents creating the National Quality Framework that there was that intention of encouraging services to keep improving, but I take your point. I think we're at the stage now where the nine governments are thinking, "How can we have a better system that gives parents a clearer view that their children are safe?"⁴⁶⁶

Provider and service approval and approach to compliance breaches

4.30 Various evidence was received throughout the inquiry in relation to the NSW ECEC RA's role in approving providers and services, and their response when a service is poorly rated or has significant compliance breaches. Inquiry participants also provided views on how to improve the regulatory response to poor performing centres.

⁴⁶⁴ Submission 129, Joint NFP Submission, p 12.

⁴⁶⁵ Evidence, Ms Georgie Dent, Chief Executive Officer, the Parenthood, 13 August 2025, p 40.

⁴⁶⁶ Evidence, Ms Gabrielle Sinclair, Chief Executive Officer, Australian Children's Education and Care Quality Authority, 14 August 2025, p 56.

- 4.31** Ms Cheyanne Carter, Chief Executive Officer and Founder, Divergent Education, commented that in New South Wales, 98 centres have held a 'working towards' rating for more than five years. Another 185 have been rated 'working towards' in their last two consecutive assessments.⁴⁶⁷ Community Early Learning Australia commented that '[s]ervices that repeatedly fail to meet minimum standards are still allowed to operate, sometimes for more than a decade.'⁴⁶⁸
- 4.32** When asked about a particular service with a number of breaches, which was rated 'working towards' for ten years, yet was not shutdown, Mr Nicholas Backo, Acting Executive Director, New South Wales Early Childhood Education and Care Regulatory Authority agreed that the regulator should have acted sooner.⁴⁶⁹ However, as noted by Mr Daryl Currie, Acting Director, Reform Implementation, New South Wales Early Childhood Education and Care Regulatory Authority these delays were often due to other processes that undercut these decisions, including stays being granted by NCAT.⁴⁷⁰
- 4.33** Inquiry participants commented on the rationale of NSW ECEC RA decision making, and issues they face in this area. For example, Mr Troy Wright, Assistant General Secretary, Public Service Association of NSW, argued that the NSW ECEC RA are fearful of shutting down services because of overwhelming demand, and that this has underpinned decision making:
- The regulatory function has been to manage services in rather than pull out the bad operators, because it has been seen that the worst possible outcome is to close a centre down because there has been such overwhelming need for them in the community. That underpins the regulatory decisions.⁴⁷¹
- 4.34** Community Early Learning Australia argued that regulators have 'limited means to enforce provider assessment and compliance with the NQS'. They also suggested it is difficult to cancel a provider's licence, with 'direct evidence required that continued provision poses unacceptable risks to the safety, health or wellbeing of children at a service'.⁴⁷²
- 4.35** Ms Pam White PSM, Co-lead, Rapid Child Safety Review, Victoria, outlined that providers may have complex structures to avoid issues with services flowing

⁴⁶⁷ Evidence, Ms Cheyanne Carter, Chief Executive Officer and Founder, Divergent Education, 13 August 2025, p 25.

⁴⁶⁸ Submission 119, Community Early Learning Australia, p 13.

⁴⁶⁹ Evidence, Mr Nicholas Backo, Acting Executive Director, New South Wales Early Childhood Education and Care Regulatory Authority, 28 October 2025, p 52.

⁴⁷⁰ Evidence, Mr Daryl Currie, Acting Director, Reform Implementation, New South Wales Early Childhood Education and Care Regulatory Authority, 28 October 2025, p 52.

⁴⁷¹ Evidence, Mr Troy Wright, Assistant General Secretary, Public Service Association of NSW, 13 August 2025, p 60.

⁴⁷² Submission 119, Community Early Learning Australia, p 13.

from one into another. She stated this can create challenges for the regulator in identifying those responsible for issues:

You can see the reasons why you have subsidiary companies and holding companies because if you've got a disaster in one of your holding companies, it doesn't flow over to the rest. That's good for the people involved but, as I said, it's not good for the regulator because who is the regulator dealing with? It becomes very unclear. If the regulator wants to say someone's not fit and proper, who are they looking at?⁴⁷³

- 4.36** The Front Project argued the regulator's accountability should be strengthened through 'mandatory annual performance reporting, a public register of enforcement actions, tighter oversight of provider approvals—including the suspension or refusal of approvals for persistently non-compliant operators and strengthened data collection and data linkage'.⁴⁷⁴

Improving regulatory response to poor performing centres

- 4.37** Inquiry participants spoke of ways in which to improve the regulatory approach to poor performing providers. For example, Mr Murat Dizdar, Secretary, NSW Department of Education advised of the Australian Government's response to this issue whereby low performing services are being put on notice that they may have their Child Care Subsidy (CCS) funding removed if they do not improve.⁴⁷⁵
- 4.38** Ms Gabrielle Sinclair, Chief Executive Officer, Australian Children's Education and Care Quality Authority, explained that the Australian Children's Education and Care Quality Authority (ACECQA) will begin including on the StartingBlocks website the last time that an assessment and rating took place, in order to improve transparency for families about the quality of services. Ms Sinclair also commented that the Australian Government will work closely with regulatory authorities to remove CCS funding from services with a poor history of noncompliance. She described it as a 'big game changer, because, whether you're a for-profit or a not-for-profit, you don't want to lose your CCS'.⁴⁷⁶
- 4.39** Inquiry participants also raised the idea of another body taking over failing centres. For example, Ms Pam White PSM, Co-lead, Rapid Child Safety Review, Victoria, was asked about the recommendation that the State have the power to appoint an administrator to run a failing centre. Ms White told the committee that 'you can't close a school or a childcare centre or a nursing home or any of those things overnight'. However, the 'State can come in and appoint an

⁴⁷³ Evidence, Ms Pam White PSM, PSM, Co-lead, Rapid Child Safety Review, Victoria, 23 September 2025, p 56.

⁴⁷⁴ Submission 126, The Front Project, p 11.

⁴⁷⁵ Evidence, Mr Murat Dizdar, Secretary, NSW Department of Education, 13 August 2025, p 12.

⁴⁷⁶ Evidence, Ms Gabrielle Sinclair, Chief Executive Officer, Australian Children's Education and Care Quality Authority, 14 August 2025, p 50.

administrator to run the organisation, either until it comes up to a suitable standard or until it can be closed'.⁴⁷⁷

- 4.40** Ms Michele Carnegie, Chief Executive Officer, Community Early Learning Australia, supported this approach. She likened the approach to local government. She explained that 'a number of experts are engaged to go into the local government service to keep those critical services going for the citizens and the ratepayers in a local government area'. Ms Carnegie explained how this might work in practice:

You can have a number, proportionate to the issues that the service is having, and the expertise, proportionate and relational to the expertise that's required for the service. It may be finance, it may be quality, or it may be safety. They are then able to go into the service and they're able to, number one, make it safe and then build the capability of the team within the service to be able to lift the quality and to stay there for as long as it's required, at the cost of the provider.⁴⁷⁸

Resourcing

- 4.41** A number of inquiry participants suggested that the regulator needed more resources to be effective.
- 4.42** Mr Martin Stokie, Commissioner, Productivity Commission, summarised that in the Productivity Commission inquiry, it found that the 'resources ... are not sufficient' for the regulators in Australia, including New South Wales.⁴⁷⁹ Mr Stokie outlined that their recommendation was 'that the Federal Government should be contributing funds towards the States to improve and expand the regulatory oversight at the State level'.⁴⁸⁰
- 4.43** The Centre for Research in Early Childhood Education, Macquarie University, said that while NSW ECEC RA representatives have 'the best interests of children at the centre of their work, and they consult with the sector regularly', their capacity to implement the Framework is limited by resources.⁴⁸¹

⁴⁷⁷ Evidence, Ms Pam White PSM, Co-lead, Rapid Child Safety Review, Victoria, 23 September 2025, p 56.

⁴⁷⁸ Evidence, Ms Michele Carnegie, Chief Executive Officer, Community Early Learning Australia, 28 October 2025, p 23.

⁴⁷⁹ Evidence, Mr Martin Stokie, Commissioner, Productivity Commission, 28 October 2025, p 34.

⁴⁸⁰ Evidence, Mr Martin Stokie, Commissioner, Productivity Commission, 28 October 2025, p 34. Note the inquiry and report referred to is the Australian Government Productivity Commission, *A path to universal early childhood education and care Inquiry report - volume 1*, Report no. 106, 28 June.

⁴⁸¹ Submission 66, Centre for Research in Early Childhood Education, Macquarie University, p 6.

4.44 While the Joint NFP Submission argued that the system to uphold and implement the NQF requires reform and investment:

The [National Quality Framework] built on many of the strengths of the NSW ECEC system and remains one of Australia's pinnacle achievements in early learning - creating an internationally recognised model for quality, safety and continuous improvement. But the system designed to uphold and implement this framework is under serious strain. Without targeted investment and reform, the capacity of the Regulator to meet public expectations, support the workforce and protect children's safety and wellbeing is at risk.⁴⁸²

Transparency

4.45 Inquiry participants raised different issues with transparency relating to the NSW ECEC RA, including:

- transparency of service compliance history, ratings and other information
- the clarity of information released about services
- transparency of information about activities of the NSW ECEC RA.

4.46 Divergent Education stated that 'families cannot easily view the compliance history or risk profile of individual services. Instead, they must request the compliance record directly from the provider, a process that can deter even the most concerned parent due to its confrontational nature'.⁴⁸³

4.47 Ms Martel Menz, Strategic Policy Manager, The Front Project, commented on the publication of material about services by NSW ECEC RA. She stated there is a lack of national consistency, as '[e]very State and Territory has their own regime of what is published and what isn't published'. She noted that this can mean it can be 'quite difficult to access information'.⁴⁸⁴

4.48 In terms of the accessibility of information, KU Children's Services Central Office argued that '[a]ccessibility and clarity of quality rating information could be improved for families'. They suggested that '[s]upporting families to compare services based on their quality ratings can equip them with the information needed to choose the setting most suited for them'. As an example, they suggested 'being able to filter by quality rating could be an added function to support families' decision making'.⁴⁸⁵

⁴⁸² Submission 129, Joint NFP Submission, p 7.

⁴⁸³ Submission 136, Divergent Education, p 2.

⁴⁸⁴ Evidence, Ms Martel Menz, Strategic Policy Manager, The Front Project, 28 October 2025, p 6.

⁴⁸⁵ Submission 67, KU Children's Services Central Office, p 9.

- 4.49** Similarly, Ms Georgie Dent, Chief Executive Officer, The Parenthood, outlined that transparency of information around a centre's compliance and quality is critical. However 'there is something in making information readily available in a way that is helpful'.⁴⁸⁶ She further added: 'I don't think it's super useful to just publish a whole dump of data with compliance without there being some thought into what information is important, what it's telling parents and what we need parents to know from it'.⁴⁸⁷
- 4.50** Considering the transparency of information about the activities of the NSW ECEC RA, The Front Project recommended mandatory annual performance reporting.⁴⁸⁸ Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, was asked to elaborate on this recommendation. She raised that one of the challenges of the ECEC regulatory systems has been 'setting the standard of what we think an appropriate number of visits each year is, whether they're regulatory visits, compliance visits or assessment visits'. She argued this has 'led to a kind of obfuscation when people publish their data about what's happening'. She further claimed, 'there's real value in us having a mature conversation about what is the regulatory resource standard—what do we expect of every regulator—and holding them to publishing against that'.⁴⁸⁹
- 4.51** The NSW Early Learning Commission (operating since 1 December 2025) publishes the register of enforcement actions previously published by the NSW EC RA. Following amendments passed in the Children (Education and Care Services National Law Application) Amendment Bill 2025, this now includes publishing more detailed information relating to enforcement actions taken in response to confirmed non-compliance with the National Law, including cancellations, suspensions, prosecutions, enforceable undertakings, compliance actions and emergency action notices.⁴⁹⁰

Independent review into the NSW Early Childhood Education and Care Regulatory Authority

- 4.52** As outlined in Chapter 2, Mr Chris Wheeler PSM conducted an independent review into the NSW Early Childhood Education and Care Regulatory Authority (Wheeler

⁴⁸⁶ Evidence, Ms Georgie Dent, Chief Executive Officer, the Parenthood, 13 August 2025, p 42.

⁴⁸⁷ Evidence, Ms Georgie Dent, Chief Executive Officer, the Parenthood, 13 August 2025, p 42.

⁴⁸⁸ Submission 126, The Front Project, p 11.

⁴⁸⁹ Evidence, Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, 28 October 2025, p 6.

⁴⁹⁰ NSW Government Education, *Register of published enforcement actions*, (8 December 2025) <https://education.nsw.gov.au/early-childhood-education/regulation-and-compliance/compliance-and-enforcement-actions/register-of-published-enforcement-actions>.

Review). The NSW Government introduced reforms partly in response to this review. This section considers the conduct of the review. It also outlines commentary from inquiry participants about CCTV in ECEC services, noting the Wheeler Review included recommendations about this.

Conduct of the Wheeler Review

- 4.53** Mr Chris Wheeler PSM was appointed to conduct the review in March 2025. The Wheeler Review was received by the government on 31 May 2025 and released on 26 June 2025.⁴⁹¹ Mr Wheeler explained that he had a 'tight deadline of 2½ months to deliver ... [his] initial views'.⁴⁹²
- 4.54** Mr Wheeler undertook a review of 34 investigations of the NSW ECEC RA. As part of this review, Mr Wheeler explained that he 'was not able in the time available to do a full forensic evaluation of every investigation', however he 'did review each investigation report, each enforceable undertaking, the results of assessment checklists that I had sent to the authority to be filled out in relation to each investigation, each show cause notice' and other matters.⁴⁹³
- 4.55** When asked about the selection of the 34 matters considered, Mr Wheeler responded that he 'asked for cases that had appeared in the media, by the department or any other serious matters'. He acknowledged they were 'hand-picked', although he 'specified which ones I wanted to a large degree: "This is the article. This is the matter..."'.⁴⁹⁴
- 4.56** In relation to the performance of the NSW ECEC RA, Mr Wheeler commented that:
- ...[I]t became apparent that the New South Wales regulatory authority has been effective in the performance of its role, given the obligations on it under the ministerial statements of expectations, the national law and the national regulations, and considering the limitations on its powers under those instruments, as well as the level of resources available to it.⁴⁹⁵

CCTV

- 4.57** The Wheeler Review included the following recommendations related to the use of CCTV in ECEC services:

⁴⁹¹ NSW Government Education, *Independent review into the NSW Early Childhood Education and Care Regulatory Authority*, (2 July 2025) <https://education.nsw.gov.au/about-us/strategies-and-reports/our-reports-and-reviews/independent-review-into-the-nsw-ecec-regulatory-authority>.

⁴⁹² Evidence, Mr Chris Wheeler PSM, Consultant, 23 September 2025, p 29.

⁴⁹³ Evidence, Mr Chris Wheeler PSM, Consultant, 23 September 2025, p 29.

⁴⁹⁴ Evidence, Mr Chris Wheeler PSM, Consultant, 23 September 2025, p 30.

⁴⁹⁵ Evidence, Mr Chris Wheeler PSM, Consultant, 23 September 2025, p 29.

- Recommendation 1: ... the NSW RA should have the discretion to require the Service to install CCTV that can be monitored by the management of the Service and recorded to the NSW RA's cloud to be used in any subsequent investigations into serious incident reports...
- Recommendation 8: The NSW Government considers proposing an amendment to the National Regulations to include a condition on all new Provider and Service approvals relating to the installation of CCTV in all new non-family day care Services, for the purpose of protecting the safety and welfare of children.
- Recommendation 9: Furthermore, consideration should be given to requiring the installation of CCTV in specific circumstances in existing non-family day care Services and linked to the NSW RA, as outlined in this report. A range of issues will need to be addressed in respect of this recommendation are identified in the report.⁴⁹⁶

4.58 As outlined in Chapter 2, the NSW Government announced a CCTV trial in response to the Wheeler Review recommendations. This allows the Regulatory Authority to require installation of CCTV controlled by the Regulatory Authority. The footage is able to be reviewed to assist with investigating complaints and concerns.⁴⁹⁷

4.59 Inquiry participants commented more generally on the use of CCTV as a mechanism to keep children safe.

4.60 Those that opposed the use of CCTV included Ms Carol Matthews, Secretary, Independent Education Union of Australia (NSW/ACT Branch), who commented that CCTV is expensive, it cannot be in change rooms or bathrooms where there is the most risk, and it is unable to cover outside play areas where there is a large angle. She also raised that it can be a security risk itself because there are images on CCTV which could be hacked or accessed in other ways.⁴⁹⁸

4.61 Similar sentiments were shared by Ms Natalie Dabarera, Research Coordinator, United Workers Union, who said it can distract from the issues by leading the focus elsewhere 'instead of looking at understaffing and whether there is a culture of safety there'.⁴⁹⁹ Ms Christine Scott, Educator Member, United Workers

⁴⁹⁶ NSW Government Education, *Independent review into the NSW Early Childhood Education and Care Regulatory Authority: Recommendations* (2 July 2025) <https://education.nsw.gov.au/about-us/strategies-and-reports/our-reports-and-reviews/independent-review-into-the-nsw-ecce-regulatory-authority/recommendations>.

⁴⁹⁷ Media Release, Hon Courtney Houssos MLC, Acting Minister for Education and Early Learning, 'Putting children first: reform for early childhood sector', 26 June 2025.

⁴⁹⁸ Evidence, Ms Carol Matthews, Secretary, Independent Education Union of Australia (NSW/ACT Branch), 13 August 2025, p 56.

⁴⁹⁹ Evidence, Ms Natalie Dabarera, Research Coordinator, United Workers Union, 13 August 2025, p 57.

Union, agreed, arguing that 'we need educators on the floor' for the safety of children.⁵⁰⁰

- 4.62** However, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, advocated for CCTV, commenting that '[i]n the investigations that I have personally had a look at, a number of people have forgotten that there is CCTV there'. She explained a matter where they caught an incident occurring on CCTV where the offender had forgotten there was CCTV and initially denied the incident.⁵⁰¹ However, she did state that her strongest recommendation is that there should always be two people in a room.⁵⁰²

Working with Children Checks

- 4.63** As outlined in Chapter 2, any adult working or volunteering in child-related services in New South Wales must have a Working with Children Check (WWCC). The Office of the Children's Guardian (OCG) administers the WWCC.⁵⁰³
- 4.64** Inquiry participants raised a lack of national consistency in approach to WWCC, and gaps in information sharing relating to the WWCC.

Lack of nationally consistent approach to WWCC

- 4.65** As mentioned in Chapter 2, the Royal Commission into Institutional Responses to Child Sexual Abuse concluded in December 2017. The Commissioners made a number of recommendations to strengthen the protection of children through WWCCs, including the implementation of national standards for WWCC schemes.⁵⁰⁴ However, inquiry participants expressed that there continues to be a lack of consistency of WWCC schemes across jurisdictions.
- 4.66** Community Early Learning Australia advised that 'Working With Children Checks (WWCC) are not nationally consistent, creating gaps that allow unsafe individuals to work in education and care settings'.⁵⁰⁵

⁵⁰⁰ Evidence, Ms Christine Scott, Educator Member, United Workers Union, 13 August 2025, p 57.

⁵⁰¹ Evidence, Detective Superintendent, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 6.

⁵⁰² Evidence, Detective Superintendent, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 5.

⁵⁰³ Submission 157, NSW Office of the Children's Guardian, p 3.

⁵⁰⁴ Royal Commission into Institutional Responses to Child Sexual Abuse, *Working With Children Checks*, <https://www.childabuseroyalcommission.gov.au/working-children-checks>.

⁵⁰⁵ Submission 119, Community Early Learning Australia, p 6.

- 4.67** To rectify this, Body Safety Australia advocated for a national system for sharing information about individuals banned or disciplined for child safety breaches. They called for cross-state and cross-sector data sharing, inclusion of non-criminal but substantiated conduct and integration with the WWCC system.⁵⁰⁶ They also argued that the 'absence of a national WWCC system allows individuals with concerning histories to move between states or sectors undetected'.⁵⁰⁷
- 4.68** Likewise, Local Government NSW recommended that the 'NSW Government work with the Australian Government to improve coordination between state and national regulatory bodies for WWCC and consider expanding the requirement to have a WWCC to include a broader range of roles within organisations'.⁵⁰⁸
- 4.69** In relation to reform in this space, Mr Murat Dizdar, Secretary, NSW Department of Education, outlined that 'the New South Wales Government has also indicated that they're strongly advocating for a Working with Children Check at a National Cabinet level'. He explained that they 'want consistency across the jurisdictions, and this goes to the work around a national register as well—to have a national register of early childhood workers so that those that move between systems can be captured not by individual jurisdictions but at a national level'.⁵⁰⁹
- 4.70** On 14 November 2025, all state and territory governments, along with the Australian Government endorsed the Agreement to Deliver National Working with Children Check Reform. According to the Hon Michele Rowland MP, Australian Attorney-General, this Agreement 'sets out the pathway and timeframes to deliver a national approach to WWCCs and improve the safety of children'.⁵¹⁰ Part of this agreement is an operational National Continuous Checking Capability (NCCC), which continuously monitors WWCC holders against fresh criminal history information from national, state and territory datasets.⁵¹¹
- 4.71** As of 27 February 2026, a National Early Childhood Worker Register came into effect, whereby approved providers must enter and keep up-to-date information for everyone working or volunteering in their service.⁵¹²

⁵⁰⁶ Submission 146, Body Safety Australia, p 12.

⁵⁰⁷ Submission 146, Body Safety Australia, p 8.

⁵⁰⁸ Submission 115, Local Government NSW, p 7.

⁵⁰⁹ Evidence, Mr Murat Dizdar, Secretary, NSW Department of Education, 13 August 2025, p 10.

⁵¹⁰ Media release, Hon Michelle Rowland MP, Australian Attorney-General, 'Albanese Government announces \$37 million to support Working with Children Check Reform', 14 November 2025.

⁵¹¹ Media release, Hon Michael Daley MP, Attorney-General and Hon Kate Washington, Minister for Families and Communities, 'Minns Labor Government supports national agreement to strengthen Working with Children Checks', 15 August 2025.

⁵¹² ACECQA, *National Early Childhood Worker Register*, <https://www.acecqa.gov.au/national-quality-framework/child-safety/national-early-childhood-worker-register>.

4.72 Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, told the committee that a National Educator Register is a positive development but that the way it is rolled out is critical.⁵¹³ If done badly, it could drive workers out of an already degraded workforce.

4.73 The committee heard evidence from worker representatives that described the level of overwork and burnout already being imposed on educators and teachers, resulting in a workforce retention crisis. For example, Ms Christine Scott, Educator Member, United Workers Union advised of the pressures already faced by educators in the sector:

I've thought about leaving this year because of the burnout, because there's so much responsibility on me. Then there's the programming and the observations that you've got to do for the children every month. It's just a lot on your educators.⁵¹⁴

4.74 Similarly, Ms Lisa James, Early Childhood Education and Care Organiser, Independent Education Union of Australia told the committee:

I've had teachers say to me that they have not been able to take annual leave for three years because they're the only permanent, trained, qualified teacher in the service. They cannot get anyone but casuals. Because they're the nominated supervisor, they're too scared to take a day off because they're held legally responsible even if they're not on the premises if something happens.⁵¹⁵

4.75 The United Workers Union expressed concerns that poor implementation of the registration process could further degrade the workforce:

When implementing registration, particularly so quickly, it is important to acknowledge that this could be confusing and intimidating for the workforce'. While they acknowledged 'that having fully staffed centres with a stable workforce is key to child safety – and no one wants registration to drive workers out of the sector or discourage new entrants to the sector.⁵¹⁶

⁵¹³ Evidence, Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, 28 October 2025, p 2.

⁵¹⁴ Evidence, Ms Christine Scott, Educator Member, United Workers Union, 13 August 2025, p 54.

⁵¹⁵ Evidence, Ms Lisa James, Early Childhood Education and Care Organiser, Independent Education Union of Australia, 13 August 2025, p 56.

⁵¹⁶ United Workers Union, *Safer staffing action plan for a stronger early childhood education sector*, p 10, <https://unitedworkers.org.au/wp-content/uploads/2025/08/ECEC-Staffing-Action-Plan-Policy-Priorities-2025.pdf>

Gaps in information sharing

4.76 The committee heard that in relation to the WCCC there can be issues with information sharing between the NSW ECEC RA and OCG, and also between the OCG and employers.

4.77 A caution letter to an individual was tabled during the inquiry showing that a person had been prohibited from working in ECEC services by the NSW ECEC RA.⁵¹⁷ However, they continued to work, contravening this order. As part of the subsequent investigation, the individual said they believed they could continue working because they were cleared for a new WWCC.⁵¹⁸

4.78 In response to this document, Ms Rachael Ward, Acting Children's Guardian, Office of the Children's Guardian, commented that '[t]he only way that could happen is if we didn't have the information on records review from that prohibition notice, which shouldn't happen'. She further stated that the OCG 'should have that information'.⁵¹⁹ She outlined that the two offices [OCG and NSW ECEC RA] are undertaking work on a Memorandum Of Understanding (MOU) to improve information sharing, and noted that while the NSW ECEC RA don't have to share that information, it is best practice to do so:

It is a gap at the moment. I talk about that—it's mentioned in my statement. The ECECRA do not fall under our regulatory process. They don't have to share information with us. They do—and we're working on an MOU at the moment to really cement that information sharing between us—but that is a gap. They haven't broken any law by not sharing that information. However, they should. Best practice would be to share that information with us.⁵²⁰

4.79 On 23 December 2025, a MOU between the OCG and NSW Early Learning Commission came into effect. This MOU allows for sharing of information between the two agencies relating to:

- concerns about early education and care organisations
- outcomes from assessments and investigations
- sector insights and trends

⁵¹⁷ Tabled document, NSW Government Department of Education, *Caution Letter Ref: CAS- 00274353*, May 2024, p 1.

⁵¹⁸ Tabled document, NSW Government Department of Education, *Caution Letter Ref: CAS- 00274353*, May 2024, p 1.

⁵¹⁹ Evidence, Ms Rachael Ward, Acting Children's Guardian, Office of the Children's Guardian, 14 August 2025, p 14.

⁵²⁰ Evidence, Ms Rachael Ward, Acting Children's Guardian, Office of the Children's Guardian, 14 August 2025, p 14.

- details about educators or staff members that are the subject of a negative notice, enforceable undertakings or prohibition notices.⁵²¹

4.80 In relation to the role of the OCG in providing information to employers, Ms Rachael Ward, Acting Children's Guardian, Office of the Children's Guardian explained that some information can be shared with employers through the reportable conduct team.⁵²² If an individual is subject to a reportable allegation, but continues to have a WWCC and the OCG becomes aware they have moved to another centre, they will notify that employer.⁵²³ However, Ms Ward agreed that there could be reforms to broaden information sharing.⁵²⁴

Issues facing the early childhood education and care workforce

4.81 In New South Wales, the ECEC sector has a workforce of 85,000 people providing education and care to 500,000 children per day.⁵²⁵ This section examines the evidence received about the various issues facing the ECEC workforce, and how these subsequently impact on the safety of children. This is considered through the following topics:

- understaffing and staffing waivers
- 'under the roof' ratios
- pay and conditions
- casualisation of the workforce
- management pressures.

⁵²¹ NSW Government Office of the Children's Guardian, *Collaboration boosts safety in early learning environments for NSW children* (23 December 2025), <https://ocg.nsw.gov.au/news/collaboration-boosts-safety-early-learning-environments-nsw-children>.

⁵²² Evidence, Ms Rachael Ward, Acting Children's Guardian, Office of the Children's Guardian, 14 August 2025, p 16.

⁵²³ Answers to questions on notice, Ms Rachael Ward, Acting Children's Guardian, Office of the Children's Guardian, 17 September 2025, pp 1-2.

⁵²⁴ Evidence, Ms Rachael Ward, Acting Children's Guardian, Office of the Children's Guardian, 14 August 2025, p 16.

⁵²⁵ Evidence, Mr Nicholas Backo, Acting Executive Director, New South Wales Early Childhood Education and Care Regulatory Authority, 28 October 2025, p 48.

Understaffing and staffing waivers

- 4.82** Section 169 of the National Law requires ECEC services to meet minimum staffing arrangements, which includes having a responsible person onsite, appropriately qualified staff, meeting educator to child ratios, amongst other things.⁵²⁶
- 4.83** Inquiry participants commented that understaffing and the use of staffing waivers can impact child safety.
- 4.84** In relation to understaffing, Ms Laura Stevens, Director of Policy and Strategy, Community Early Learning Australia, commented that 'when you have unsafe ratios, you have a vicious cycle of high turnover because you actually can't attract and keep the staff if you don't have enough people there, because the environment is completely untenable for somebody to work in'.⁵²⁷ She argued that the way to prevent this cycle is to invest in wages, and ensure there are enough staff to meet the needs of the service.⁵²⁸
- 4.85** Ms Natalie Dabarera, Research Coordinator, United Workers Union, explained results of a survey undertaken of 3,000 educators by the union on the issue of staffing. She advised that 77 per cent of educators report operating below minimum staffing levels at least weekly, and 42 per cent state this happens daily.⁵²⁹ She argued short staffing can lead to a greater risk of injury and children losing vital development opportunities.⁵³⁰
- 4.86** An approved provider can apply to the relevant regulatory authority for a waiver. Waivers allow an approved ECEC service to not meet a particular aspect of the National Law or National Regulations, but are still taken to comply with National Law and Regulation requirements.⁵³¹ Staffing waivers were identified as an issue.
- 4.87** Ms Natalie Dabarera, Research Coordinator, United Workers Union, asserted that in New South Wales, '16 per cent of long day care services have a staffing waiver

⁵²⁶ ACECQA, *Quality Area 4: Staffing arrangements*, <https://www.acecqa.gov.au/national-quality-framework/guide-nqf/section-4-operational-requirements/quality-area-4-staffing-arrangements>.

⁵²⁷ Evidence, Ms Laura Stevens, Director of Policy and Strategy, Community Early Learning Australia, 28 October 2025, p 24.

⁵²⁸ Evidence, Ms Laura Stevens, Director of Policy and Strategy, Community Early Learning Australia, 28 October 2025, p 24.

⁵²⁹ Evidence, Natalie Dabarera, Research Coordinator, United Workers Union, 13 August 2025, p 50.

⁵³⁰ Evidence, Natalie Dabarera, Research Coordinator, United Workers Union, 13 August 2025, p 50.

⁵³¹ ACECQA, *Application for service waiver*, <https://www.acecqa.gov.au/national-quality-framework/guide-nqf/section-2-applications-and-approvals/4-waivers-and-other-applications/41-application-service-waiver>.

in place'.⁵³² In answers to questions on notice, the NSW ECEC RA noted that as at October 2025, 52 services rated below 'meeting' the NQS have a staffing waiver.⁵³³

- 4.88** Professor Marianne Fenech, University of Sydney argued that for-profit services are more likely to have staffing waivers than not-for-profits, yet are often still rated as 'meeting':

[T]he for-profits are over-represented, with almost twice as many staffing waivers as not-for-profits, and yet they are still being rated as meeting. They're the only management type, I think, that's over-represented in the proportion of waivers that they have for staffing. That's an issue.⁵³⁴

'Under the roof' ratios

- 4.89** As mentioned at 4.82, section 169 of the National Law requires ECEC services to meet minimum staffing arrangements, which includes educator to child ratios.⁵³⁵ Many participants commented on centres using 'under the roof' ratios.
- 4.90** Ms Natalie Dabarera, Research Coordinator, United Workers Union, used examples to explain 'under the roof' ratios in practice:

... [L]et's say the toddler room. You would need one to five ... you might have, say, 11 children, 11 toddlers ... for the ratio, you would need three educators ... but they might actually have that educator working in another room or doing some administrative tasks and count the total educators across the service rather than in that room. That room is under ratio, but the service still technically might be seen to be compliant. But the educators aren't able to give those children the support and safety that they need in that room.⁵³⁶

- 4.91** Ms Janene Rox, Independent Education Union Member and Director, Cronulla Preschool Kindergarten, said that she thought the "under the roof" ratio stemmed from when centres were small and when services were one room, or maybe two if

⁵³² Evidence, Natalie Dabarera, Research Coordinator, United Workers Union, 13 August 2025, p 50.

⁵³³ Answers to questions on notice, Mr Murat Dizdar, Secretary, NSW Department of Education, Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes, Mr Kristian Holz, Acting Executive Director, Regulatory Reform, Mr Nicholas Backo, Acting Executive Director, NSW ECEC Regulatory Authority, Mr Daryl Currie, Acting Executive Director, Reform Implementation, NSW ECEC Regulatory Authority, 27 November 2025, p 6.

⁵³⁴ Evidence, Professor Marianne Fenech, the University of Sydney, 13 August 2025, p 15.

⁵³⁵ ACECQA, Quality Area 4: Staffing arrangements, <https://www.acecqa.gov.au/national-quality-framework/guide-nqf/section-4-operational-requirements/quality-area-4-staffing-arrangements>.

⁵³⁶ Evidence, Natalie Dabarera, Research Coordinator, United Workers Union, 13 August 2025, p 53.

you had a zero-to-three room and a three-to-five room'. She claimed that '[s]ervice delivery has changed dramatically since then'. Therefore, she argued that this is 'one of the particular regulations that is just not current in today's sector'.⁵³⁷

4.92 Ms Martel Menz, Strategic Policy Manager, The Front Project, explained that while 'under the roof' ratios are not mentioned in the National Law or National Regulations, 'you will find... the terminology of 'across the service".⁵³⁸ She advised that this refers to 'things like child-to-staff ratios and qualification requirements can be accounted for across the entire service, not just room by room'.⁵³⁹ Ms Menz explained the benefits of across the service ratios:

- flexibility to manage staffing across the day
- assists where a child needs one-on-one care, so adults can be counted not just for that room but across the service
- managing transition times across the day (meals times, indoor or outdoor play).⁵⁴⁰

4.93 However, Ms Menz told the committee that the Front Project heard that 'it is being grossly misused by too many providers who are using it as a loophole to cut staffing costs'.⁵⁴¹

4.94 Ms Tanya Barton, Centre Director, Enmore Early Learning Centre (Inner West Council), United Services Union, told the committee that even when ratios are met, these are insufficient, as she outlined that under the current ratios, two educators can look after eight babies, 10 children who are two, or 20 children who are three:

You and I can look after eight babies; that could be eight babies who are three months old. You and I can look after, legally, 10 children who are two. It gets even more horrendous. When children are three, you and I can look after, believe it or not, 20 children.⁵⁴²

4.95 In response to these concerns, Ms Gabrielle Sinclair, Chief Executive Officer, Australian Children's Education and Care Quality Authority, said that ACECQA is

⁵³⁷ Evidence, Ms Janene Rox, Independent Education Union Member and Director, Cronulla Preschool Kindergarten, 13 August 2025, p 56.

⁵³⁸ Evidence, Ms Martel Menz, Strategic Policy Manager, The Front Project, The Front Project, 28 October 2025, p 3.

⁵³⁹ Evidence, Ms Martel Menz, Strategic Policy Manager, The Front Project, The Front Project, 28 October 2025, p 3.

⁵⁴⁰ Evidence, Ms Martel Menz, Strategic Policy Manager, The Front Project, The Front Project, 28 October 2025, p 4.

⁵⁴¹ Evidence, Ms Martel Menz, Strategic Policy Manager, The Front Project, The Front Project, 28 October 2025, p 4.

⁵⁴² Evidence, Ms Tanya Barton, Centre Director, Enmore Early Learning Centre (Inner West Council), United Services Union, 28 October 2025, p 65.

'working with the nine governments now saying that we want to do another look at the ratios and we want to be very clear to make sure that approved providers don't use that "under the roof" to be able to get away with not having proper supervision and proper care of children'.⁵⁴³

4.96 On 20 February 2026, ACECQA published its Rapid Assessment of Child Safe Practices Report which 'provides a picture of existing supervision practices and whether educator-to-child ratios are being appropriately implemented in order to identify issues that need to be addressed'. According to ACECQA, 'Governments have accepted the recommendations, some of which can be addressed through stronger guidance, while others will require further consultation with the sector'.⁵⁴⁴ The Rapid Assessment recommended that the National Quality Framework be strengthened to address inconsistencies and misinterpretations:

1.1 Assess and progress changes to the National Law to explicitly define adequately and actively supervised to drive consistent practice; and amend Quality Area 4, Element 4.1.1 in the NQS 'the organisation of educators 'across the service' supports children's learning and development' to 'the organisation of educators supports children's safety, learning and development, and ensures adequate supervision'.

1.2 Clarify that 'across the service' ratios should be used in exceptional circumstances only. For example, the use of 'across the service ratios' may be appropriate from time to time where fewer children are in attendance due to fluctuation, and using ratios for individual rooms or groups would isolate children or an educator.⁵⁴⁵

Pay and conditions

4.97 During the inquiry, the committee heard that educators and teachers are often underpaid and working in poor conditions.

⁵⁴³ Evidence, Ms Gabrielle Sinclair, Chief Executive Officer, Australian Children's Education and Care Quality Authority, 14 August 2025, p 49. In August 2025, ACECQA was commissioned by Education Ministers to undertake a rapid assessment of child safeguarding practices across the ECEC sector. ACECQA, *Research - NQF and ACECQA research reports*, <https://www.acecqa.gov.au/resources/research/research-nqf-and-acecqa-research-reports#RACS>

⁵⁴⁴ ACECQA, *Research - NQF and ACECQA research reports*, <https://www.acecqa.gov.au/resources/research/research-nqf-and-acecqa-research-reports#RACS>

⁵⁴⁵ ACECQA, Rapid Assessment of Child Safe Practices, December 2025, p 10, https://www.acecqa.gov.au/sites/default/files/2026-02/Rapid%20assessment%20of%20child%20safe%20practices_0.pdf

- 4.98** The United Services Union argued that ECEC 'is one of the most undervalued yet essential sectors'.⁵⁴⁶ They claimed there is low pay for complex roles and duties, and poor working conditions. For example:
- 'lack of permanent relief staff undermines stability and increase[s] pressure'.
 - staffing shortages 'means educators often miss breaks, work beyond ratios, or carry additional responsibilities without recognition'.⁵⁴⁷
- 4.99** The United Workers Union also outlined issues with the pay and conditions of workers, including:
- educators receiving minimum entitlements to personal leave and annual leave which does not acknowledge the long hours worked in the sector, noting that long day care service operating hours extend beyond formal school hours and regular business hours
 - conditions do not reflect the responsibilities and regulatory requirements of working in the sector
 - educators spend hours of unpaid overtime completing paperwork, recording, and planning educational and care activities, as well as updating parents on their child's development.⁵⁴⁸
- 4.100** The Independent Education Union of Australia NSW/ACT Branch and representatives raised the following issues in relation to pay and conditions of workers:
- Teachers working in for-profit centres report 'being underpaid and not receiving legislated superannuation guarantee payments'.⁵⁴⁹
 - Contractual issues are common in for-profit centres, with regular breaches of the 'minimum standards in the Educational Services (Teachers) Award including termination notice, payment of overtime for work beyond 38 in a week, payment for staff meetings and attendance at mandatory training'.⁵⁵⁰
 - Pay and conditions in the ECEC sector are causing unsustainable rates of burnout and staff turnover, contributing to chronic workforce shortage.⁵⁵¹
- 4.101** The Independent Education Union of Australia NSW/ACT Branch contended that a skilled ECEC workforce relies on university and VET fee support, and 'removing

⁵⁴⁶ Submission 166, United Services Union, p 8.

⁵⁴⁷ Submission 166, United Services Union, pp 9-10.

⁵⁴⁸ Submission 101, United Workers Union, p 14.

⁵⁴⁹ Submission 72, Independent Education Union of Australia NSW/ACT Branch, p 9.

⁵⁵⁰ Submission 72, Independent Education Union of Australia NSW/ACT Branch, p 9.

⁵⁵¹ Evidence, Ms Lisa James, Early Childhood Education and Care Organiser, Independent Education Union of Australia, 13 August 2025, p 52.

the gap between pay and conditions in schools and in the ECEC sector'.⁵⁵² Representatives from the Union called for pay parity with school teachers.⁵⁵³

- 4.102** Ms Natalie Dabarera, Research Coordinator, United Workers Union, also argued for pay parity and a wage supplement to retain and attract educators.⁵⁵⁴

Precarious work conditions

- 4.103** Evidence was received in relation to the precarity of the work situations for some staff, particularly visa holders.

- 4.104** The Centre for Research in Early Childhood Education, Macquarie University outlined that early childhood courses can be marketed to international students as a pathway to permanent residency. They argued this can mean 'educators may not report health and safety breaches due to a fear of dismissal'. This is because work visas require the recipient to show ongoing employment through sponsorship from an employer.⁵⁵⁵

- 4.105** It was also raised by the Independent Education Union of Australia NSW/ACT Branch that teachers on 457 visas⁵⁵⁶ are directed to work on weekends to prepare for assessment and ratings.⁵⁵⁷ They stated that these teachers are prevented from signing into premises as employers want to avoid paying them. This also restricts their ability to access Workers Compensation if they are injured. They argued that '[t]hese teachers fear losing their ability to remain in Australia, compounding their reluctance to raise issues with or about their employer'.⁵⁵⁸

- 4.106** Professor Sandie Wong, Professor of Early Childhood Education and Co-Deputy Director of the Centre for Research in Early Childhood Education, Macquarie University also commented on the lack of support for students studying who are from overseas:

⁵⁵² Submission 72, Independent Education Union of Australia NSW/ACT Branch, p 5.

⁵⁵³ Evidence, Ms Lisa James, Early Childhood Education and Care Organiser, Independent Education Union of Australia, 13 August 2025, p 52; Evidence, Ms Janene Rox, Independent Education Union Member and Director, Cronulla Preschool Kindergarten, 13 August 2025, p 51.

⁵⁵⁴ Evidence, Ms Natalie Dabarera, Research Coordinator, United Workers Union, 13 August 2025, p 58.

⁵⁵⁵ Submission 66, Centre for Research in Early Childhood Education, Macquarie University, p 7.

⁵⁵⁶ Note - this refers to the Temporary Work (Skilled) visa - see Australian Government, Department of Home Affairs, *Temporary Work (Skilled) visa (subclass 457)* (23 September 2024) <https://immi.homeaffairs.gov.au/visas/getting-a-visa/visa-listing/repealed-visas/temporary-work-skilled-457>.

⁵⁵⁷ Submission 72, Independent Education Union of Australia NSW/ACT Branch, p 9.

⁵⁵⁸ Submission 72, Independent Education Union of Australia NSW/ACT Branch, p 9.

... [I]n some of these colleges, nearly all of the students are from overseas and have overseas qualifications in other fields. They are being marketed as a pathway into a visa. Consequently, they're coming with English as a second language. They're coming with different understandings and beliefs about children, education and families. They need to be enculturated in our own context. They are then being put in positions in children's services. If they get their teaching degree, they could be leading those services. ... There's very little mentoring, very little support, and a lack of family.⁵⁵⁹

Casualisation of the workforce

- 4.107** Evidence was received throughout the inquiry about the increasing casualisation of the ECEC workforce, and the impacts this can have on safety and quality.
- 4.108** The role and regulation of labour hire entities, who often provide casual staff to services, was also raised.

Impacts on safety and quality

- 4.109** Considering the extremely serious risk of predators entering ECEC services, Ms Lisa Bryant, Education and Care Consultant and Advocate, commented that '[p]aedophiles have seen that the sector has a great need of staff and that they can easily get into some services'.⁵⁶⁰ 'Hunting Ground' by *Four Corners* also reported that high staff turnover is a contributing factor to enabling predators to enter child care centres as staff and harm children.⁵⁶¹
- 4.110** While Lane Cove Council noted that 'casual staff are an essential part of the system, offering flexibility and coverage', they recognised their use can cause a 'burden on permanent staff to manage routines and continuity'. The council highlighted that inconsistent oversight can mean issues in previous workplaces or performance gaps can be missed.⁵⁶²
- 4.111** For example, Mr Richard Bell, Chief Executive Officer, Little Zak's Academy, acknowledged that '[w]hen a centre has a high level of agency staff, their incidences and accidents are higher'.⁵⁶³ Despite this, he noted 'we need those

⁵⁵⁹ Evidence, Professor Sandie Wong, Professor of Early Childhood Education and Co-Deputy Director of the Centre for Research in Early Childhood Education, Macquarie University, 14 August 2025, p 44.

⁵⁶⁰ Evidence, Ms Lisa Bryant, Education and Care Consultant and Advocate, 13 August 2025, p 27.

⁵⁶¹ *Four Corners*, ABC, 'Hunting Ground', Adele Ferguson, 27 October 2025.

⁵⁶² Submission 71, Lane Cove Council, p 5.

⁵⁶³ Evidence, Mr Richard Bell, Chief Executive Officer, Persons with Management or Control, Little Zak's Academy, 23 September 2025, p 46.

staff to be able to care for the children, to maintain and meet ratio and to keep our centres operating, so it is a challenge that we face and it's complex'.⁵⁶⁴

- 4.112** In relation to the impacts of casualisation on children with disability, the Northern Rivers Preschool Alliance commented that centres have a role in identifying and referring such children who need additional support, and that casualisation can be one factor preventing such children being identified early.⁵⁶⁵
- 4.113** Dr Croser-Barlow, Chief Executive Officer, The Front Project spoke about the impact of casualisation on children's development in ECEC. She outlined that 'warm reciprocal interactions are the building blocks for children's brains', and that this is only 'optimised and maximised when they have secure, attached relationships with the adults and caregivers around them'.⁵⁶⁶
- 4.114** In addition, Ms Martel Menz, Strategic Policy Manager, The Front Project, argued that it is important for 'young children, to have that consistency of care and that predictability so when they're dropped off at a centre, there is a range of familiar faces and adults who are there to educate and care for them for the days that they're in attendance'. Ms Menz suggested this is equally important for staff and staffing relationships. She further outlined that there is a 'high level of risk where they have that high turnover and high churn because staff don't get the opportunities or the time to be together and learn about how they can best work together'.⁵⁶⁷
- 4.115** In relation to the impact on staff, the Independent Education Union of Australia NSW/ACT Branch noted that some teachers or nominated supervisors have reported being unable to take annual leave when other 'qualified employees are casuals because they are held responsible for what occurs in the service even when they are not on the premises'.⁵⁶⁸

Labour hire entities

- 4.116** Labour hire entities or recruitment agencies employ staff who can then be sent to another business (the host). The labour hire employee works for the host, but is paid by the labour hire entity.⁵⁶⁹ In the ECEC context, this refers to an ECEC

⁵⁶⁴ Evidence, Mr Richard Bell, Chief Executive Officer, Persons with Management or Control, Little Zak's Academy, 23 September 2025, p 46.

⁵⁶⁵ Submission 51, Northern Rivers Preschool Alliance, p 6.

⁵⁶⁶ Evidence, Dr Croser-Barlow, Chief Executive Officer, The Front Project, 28 October 2025, p 3.

⁵⁶⁷ Evidence, Ms Martel Menz, Strategic Policy Manager, The Front Project, 28 October 2025, p 3.

⁵⁶⁸ Submission 72, Independent Education Union of Australia NSW/ACT Branch, p 8.

⁵⁶⁹ Australian Government Fair Work Ombudsman, *Labour hire and supply chains*, <https://www.fairwork.gov.au/find-help-for/labour-hire-and-supply-chains>.

provider or service receiving staff (agency, contractor or labour hire staff) from a labour hire entity or recruitment agency to work at their service.⁵⁷⁰

- 4.117** Mr Richard Bell, Chief Executive Officer of Little Zak's Academy, provided an example of a labour hire business he started – Z Staffing. He told the committee there are between 3,000 and 3,500 casual educators at Z Staffing.⁵⁷¹ As Z Staffing is a labour hire firm, Mr Bell confirmed that it is not regulated directly by the ECEC regulator.⁵⁷²
- 4.118** Ms Pam White PSM, Co-lead, Rapid Child Safety Review, Victoria, commented that in the Victorian Review, they found that the regulator should look into labour hire companies. She outlined the reasons for this: 'if we're looking at employment, we need to go right back to the chain because childcare centres are getting workers from labour hire, and they're assuming all of those checks are done by the labour hire company'.⁵⁷³

Management pressures

- 4.119** Throughout the inquiry, evidence was received about the pressures faced by staff from management. These are explored through the following topics: requirements to photo document children, and cost cutting and safety incidents.

Requirements to photo document children

- 4.120** A common issue raised by workers was the requirement to take photographs of children for parents and carers.
- 4.121** As Ms Christine Scott, Educator Member, United Workers Union explained 'for educators it is a lot of work, not only to take those photos but then ... I have to send all those photos off'. She continued, noting that '[i]t can take a couple of hours to send these'⁵⁷⁴ and that these photos are not a requirement, but an expectation of centres.⁵⁷⁵

⁵⁷⁰ ACECQA, *Information Sheet CHILD SAFETY Information for Recruitment Agencies about the National Quality Framework* (February 2026) p 2, <https://www.acecqa.gov.au/sites/default/files/2026-02/Information%20for%20Recruitment%20Agencies%20about%20the%20NQF.pdf>

⁵⁷¹ Evidence, Mr Richard Bell, Chief Executive Officer, Persons with Management or Control, Little Zak's Academy, 23 September 2025, p 42.

⁵⁷² Evidence, Mr Richard Bell, Chief Executive Officer, Persons with Management or Control, Little Zak's Academy, 23 September 2025, p 42.

⁵⁷³ Evidence, Ms Pam White PSM, Co-lead, Rapid Child Safety Review, Victoria, 23 September 2025, p 60.

⁵⁷⁴ Evidence, Ms Christine Scott, Educator Member, United Workers Union, 13 August 2025, p 55.

⁵⁷⁵ Evidence, Ms Christine Scott, Educator Member, United Workers Union, 13 August 2025, p 55.

- 4.122** Similarly, Ms Clare Fairhall, Educator Member, United Workers Union, stated 'when an educator is behind that iPad taking the pictures, they're counted in your supervision ratio'. She questioned: '[h]ow am I supposed to adequately and safely supervise children when I'm behind a screen this big taking endless photographs?'.⁵⁷⁶
- 4.123** Further, Ms Janene Rox, Independent Education Union Member and Director, Cronulla Preschool Kindergarten, raised that digital documentation of children disregards the child's voice, noting that children do not have a say on where the photo is going for its lifetime on the digital platform.⁵⁷⁷
- 4.124** Given this, Professor Rachel Wilson, Professor of Social Impact, University of Technology Sydney, argued for guidelines for services in relation to digitalisation.⁵⁷⁸ In answers to questions on notice, Dr Erin Harper, Lecturer in Early Childhood Education, University of Sydney, suggested that 'broader guidelines would be helpful, taking into account how educators use and engage with digital technologies at work, including the purpose and extent of that work, and how it relates to child outcomes'.⁵⁷⁹

Cost cutting and safety incidents

- 4.125** Throughout the inquiry, participants raised specific and general examples of services cost cutting, injuries to children and other safety concerns. These often arose following direction of management. This section outlines some examples of these issues.
- 4.126** Ms Lisa Bryant stated that 'educators reported services spending as little as \$1.75 per child per day on food'.⁵⁸⁰ She also provided examples of child safety issues, including children being locked in, locked out, taken away or unaccounted for, 'dragged across floor, scratched or worse' and she noted that 22 per cent of breaches were for inadequate supervision.⁵⁸¹
- 4.127** The Independent Education Union of Australia NSW/ACT Branch outlined reports that in for-profit centres '[r]equests for maintenance to fix entry/exit gates have

⁵⁷⁶ Evidence, Ms Clare Fairhall, Educator Member, United Workers Union, 13 August 2025, p 54.

⁵⁷⁷ Evidence, Ms Janene Rox, Independent Education Union Member and Director, Cronulla Preschool Kindergarten, 13 August 2025, p 55.

⁵⁷⁸ Evidence, Professor Rachel Wilson, Professor of Social Impact, University of Technology Sydney, 28 October 2025, p 30.

⁵⁷⁹ Answers to questions on notice, Dr Erin Harper, Lecturer in Early Childhood Education, University of Sydney, 27 November 2025, p 1.

⁵⁸⁰ Submission 9, Ms Lisa Bryant, p 2.

⁵⁸¹ Submission 9, Ms Lisa Bryant, p 2.

gone unheeded, leading to children being able to leave the centre, apparently because of the desire by the owner to save money'.⁵⁸²

4.128 Another participant outlined their experiences with cost cutting and safety issues working at different services. They spoke about a large for-provider provider (Guardian) taking over a service and implementing 'cost-cutting measures that deeply affected quality', including being 'told to use "under the roof" ratios to reduce staff numbers'. At another service, the participant raised working in 'the 0-2 years room during a heatwave (around 38 degrees)' where 'the lead educator refused to give the children access to water outside of meal times'. This led to the babies crying and being distressed. They also said that another service had 'children left in soiled nappies for far too long, crying without comfort, and being handled roughly'.⁵⁸³

4.129 Further examples of operational pressures faced by those in the ECEC sector are illustrated in the following case study.

Case study: Operational pressures in early childhood education and care⁵⁸⁴

Cheyenne Carter is the Chief Executive Officer and Founder of Divergent Education. She described her experience working as an educator and centre director in the early childhood education and care sector and the pressures that shaped day to day practice within centres.

As a director, staffing and wage costs were a constant focus. Ms Carter described 'wage-to-revenue' as a key concept in centre management, with directors expected to keep wages within set percentages or staffing hours tied to revenue. She also described a broader culture in which experienced educators were treated as a cost, rather than a resource to retain.

Those pressures affected how educators were allocated across rooms. Ms Carter described directors being encouraged and incentivised to use 'across-the-roof ratios', where staffing numbers were counted across the whole service rather than within each room. This reasoning can result in one educator alone in a room with nine or ten babies, while staffing numbers are balanced elsewhere in the centre.

She described the risks this creates in practical terms. Babies and toddlers need close supervision, and incidents can happen quickly. Ms Carter recounted an instance where an educator fainted in a room and emphasised that the situation was only manageable

⁵⁸² Submission 72, Independent Education Union of Australia NSW/ACT Branch, p 8.

⁵⁸³ Submission 46, Name suppressed, p 2.

⁵⁸⁴ Evidence, Ms Cheyanne Carter, Chief Executive Officer, Divergent Education, 13 August 2025 pp 25-32.

because another staff member was there to call for help. Therefore, while ratios can be met on paper, safe supervision in practice is much harder to maintain.

Assessment and rating periods brought another layer of pressure. As a director, she and others were sent into services before an assessment to 'clean up anything that needed to be fixed'. This included checking compliance records, identifying gaps and directing centre directors to complete missing records before officers arrived.

On assessment days, more experienced educators were brought in from other centres in the same company. Ms Carter described this as part of a deliberate effort to secure an 'exceeding' rating, or at least a 'meeting' rating.

Preparations for assessments also involved moving resources between centres. Ms Carter recalled filling her car boot with materials from one service and taking them to another for the day, then returning them afterwards. This is most evident with large providers who have greater capacity to move additional staff and resources across multiple centres.

Training institutions and qualifications for the early childhood education and care sector

- 4.130** This section considers the role of training institutions in delivering qualifications for educators and teachers. As outlined in Chapter 2, certificate III and diploma level qualifications are delivered in vocational institutions, and early childhood teaching qualifications are primarily delivered in tertiary institutions.⁵⁸⁵ ACECQA assesses and publishes lists of approved qualifications.⁵⁸⁶ The Tertiary Education Quality and Standards Agency (TEQSA) regulates tertiary institutions, and the Australian Skills Quality Authority (ASQA) regulates vocational institutions.⁵⁸⁷ People with certificate III or a diploma are 'educators' and those with an early childhood teaching degree are early childhood teachers (ECTs).
- 4.131** This section considers this evidence received about the rise of for-profit training institutions and the implementation of short courses at universities, and the

⁵⁸⁵ Australian Children's Education and Care Quality Authority, *Requirements for diploma and certificate III level program assessments*, <https://www.acecqa.gov.au/sites/default/files/2025-08/ACECQA%20qualification%20requirements%20for%20diploma%20and%20certificate%20III%20level%20program%20assessments.pdf>; Australian Children's Education and Care Quality Authority, *Requirements for early childhood teaching program assessments*, <https://www.acecqa.gov.au/sites/default/files/2019-11/ACECQA-qualification-requirements-for-early-childhood-teaching-program.pdf>.

⁵⁸⁶ Submission 83, Australian Children's Education and Care Quality Authority, p 12.

⁵⁸⁷ Submission 109, NSW Government, p 6; Submission 83, Australian Children's Education and Care Quality Authority, p 12.

impact this has on the quality of educator and teacher qualifications. It also considers other issues raised about training and qualifications.

Registered training organisations: issues and commentary

- 4.132** In their submission, the Centre for Research in Early Childhood Education, Macquarie University, explained that 'there has been a recent dramatic increase in private vocational training institutions and colleges who are offering degree courses in universities'. They stated that '[u]nlike programs delivered in universities and TAFE colleges, many private colleges do not have specialised, highly qualified staff to develop and deliver their programs'. As such, they suggested '... research and/or auditing is urgently needed to assess the quality of these programs and their graduates'.⁵⁸⁸
- 4.133** Professor Sandie Wong, Professor of Early Childhood Education and Co-Deputy Director of the Centre for Research in Early Childhood Education, Macquarie University, commented on the increase of for-profit training institutions, arguing that '[w]hen profit is the driver, that ... lead[s] to nefarious behaviour'.⁵⁸⁹ She suggested that there is often inadequate quality of teaching, stating that '...in some of these RTO [Registered Training Organisation] colleges, the people working in them are previous PhD students of ours or colleagues of ours ... [t]hey are neophyte researchers at best'.⁵⁹⁰
- 4.134** Ms Pam White PSM, Co-lead, Rapid Child Safety Review, Victoria, raised that some Registered Training Organisations (RTOs) also operate ECEC services, having students work in centres owned by their training institution:

... [O]ne of the things we heard again from the directors was that sometimes the RTOs get people in for training and they're spreading them through their own childcare centres, and probably the training is a bit average. So they're conflicted about what they're doing. Are they providing training or are they running a childcare centre? Well, they're doing both.⁵⁹¹

⁵⁸⁸ Submission 66, Centre for Research in Early Childhood Education, Macquarie University, p 7.

⁵⁸⁹ Evidence, Professor Sandie Wong, Professor of Early Childhood Education and Co-Deputy Director of the Centre for Research in Early Childhood Education, Macquarie University, 14 August 2025, p 44.

⁵⁹⁰ Evidence, Professor Sandie Wong, Professor of Early Childhood Education and Co-Deputy Director of the Centre for Research in Early Childhood Education, Macquarie University, 14 August 2025, p 44.

⁵⁹¹ Evidence, Ms Pam White PSM, Co-lead, Rapid Child Safety Review, Victoria, 23 September 2025, p 60.

- 4.135** As a result of this, Ms White suggested that ASQA should look into the quality of training at RTOs.⁵⁹²
- 4.136** In their submission, KU Children's Services Central Office advised that ASQA cancelled the registration of many RTOs that were issuing qualifications without adequate training, assessments or adherence to the required competency standards.⁵⁹³ They argued that '[o]ngoing monitoring and evaluation of RTOs is essential to improve training strategies and ethical practices, ensuring students acquire the skills and knowledge they need'.⁵⁹⁴

Short courses at universities

- 4.137** Some inquiry participants raised issues with short courses at universities and their impact on quality of qualifications. Much of this commentary related to the increase in courses which allow individuals with non-related degrees to become an ECT.⁵⁹⁵ There was also evidence about diploma-qualified educators completing limited subjects to receive an ECT qualification.⁵⁹⁶
- 4.138** Professor Cathrine Neilsen-Hewett, Academic Director, The Early Years, University of Wollongong, outlined that the emergence of fast-tracked qualifications for diploma qualified educators was in response to a shortage of ECTs.⁵⁹⁷ She explained that the University of Wollongong had developed 'a comprehensive, high-quality and intensive—not fast-tracked—degree to upskill those from a diploma to a degree status'.⁵⁹⁸ However, she noted that '[o]ther universities have since come on board, and the prioritisation for some of those courses has very much been around getting the piece of paper quickly rather than improving the quality'.⁵⁹⁹
- 4.139** In their submission the School of Education, University of Wollongong also commented on the emergence of such courses that 'allow diploma-qualified educators to complete 4 subjects/units and receive ECT equivalency'. They argued

⁵⁹² Evidence, Ms Pam White PSM, Co-lead, Rapid Child Safety Review, Victoria, 23 September 2025, p 60.

⁵⁹³ Submission 67, KU Children's Services Central Office, p 10.

⁵⁹⁴ Submission 67, KU Children's Services Central Office, p 10.

⁵⁹⁵ Submission 70, Dr Linda Newman, p 3.

⁵⁹⁶ Submission 62, School of Education, University of Wollongong, p 2.

⁵⁹⁷ Evidence, Professor Cathrine Neilsen-Hewett, Academic Director, The Early Years, University of Wollongong, 14 August 2025, p 42.

⁵⁹⁸ Evidence, Professor Cathrine Neilsen-Hewett, Academic Director, The Early Years, University of Wollongong, 14 August 2025, p 42.

⁵⁹⁹ Evidence, Professor Cathrine Neilsen-Hewett, Academic Director, The Early Years, University of Wollongong, 14 August 2025, p 42.

that '[s]upport for these degrees poses a significant risk to the quality and skills of the ECEC workforce'.⁶⁰⁰

4.140 Professor Sandie Wong, Professor of Early Childhood Education and Co-Deputy Director of the Centre for Research in Early Childhood Education, Macquarie University, was critical of Graduate Diplomas which allow a person with a degree in another area to receive an ECT qualification in a short period. She argued this is not equivalent to a three- or four-year degree:

I actually think that's an insult to my profession. My degree was a four-year degree. Most of my teacher colleagues would be a three- or four-year degree. So to be told that somebody could come into our profession ... from a standing start and get an equivalent degree in six months is, frankly, insulting.⁶⁰¹

4.141 Dr Linda Newman, Honorary Associate Professor in Early Childhood Education at The University of Newcastle also expressed concern with 'new Graduate Diploma courses across universities and private training organisations that provide an accelerated program and graduation of ECTs'.⁶⁰² She argued that courses that can be completed in one year would have little space to 'cover all the curriculum, pedagogy, management, theory and other subjects that are needed to prepare a high-quality educator'.⁶⁰³

Other issues with qualifications and training

4.142 Inquiry participants raised other issues with the qualification and training of educators, including:

- that workers are not given sufficient time to complete training during work hours
- people working towards qualifications can undertake leadership roles
- problems finding adequate placements for students.

4.143 Ms Pam White PSM, Co-lead of Victoria's Rapid Child Safety Review, commented that during their Review, they heard that 'in the desire to grow the workforce quickly, the training had probably become a bit degraded'. Ms White PSM

⁶⁰⁰ Submission 62, School of Education, University of Wollongong, p 3.

⁶⁰¹ Evidence, Professor Sandie Wong, Professor of Early Childhood Education and Co-Deputy Director of the Centre for Research in Early Childhood Education, Macquarie University, 14 August 2025, p 43.

⁶⁰² Submission 70, Dr Linda Newman, p 3.

⁶⁰³ Submission 70, Dr Linda Newman, p 3.

suggested that 'the Commonwealth might want to look at that to make sure workers are getting, I don't know, two days a year paid leave to do training'.⁶⁰⁴

- 4.144** Ms White PSM added that often workers are required to do updated training outside of work hours, as '[a] lot of services aren't providing any children-free days'. On this, the Review suggested 'the Commonwealth might look at that as another way they intervene to start moulding the market a bit'.⁶⁰⁵
- 4.145** In relation to the experience of people obtaining their qualifications, Ms Karen Kearns, Chief Executive Officer and Director of Studies, International Child Care College, explained that due to the shortage of educators, school-based apprentices and trainees are allowed to be primary contact staff, meaning they are counted in ratios. These students are often in high school, aged between 17-18.⁶⁰⁶ In addition, Ms Kearns cautioned that these people may or may not have done their child protection training.⁶⁰⁷
- 4.146** Ms Kearns further explained that a person working towards a diploma can undertake the Director position at an ECEC service with many forced to do it by their employer: '... the employer says, "You can be director if you enrol to do your diploma", because the regulations say that if you're in training, you can do that job'. Ms Kearns was critical of this, and argued '[t]here'd be no way that a graduating teacher would be placed in the position of a principal of a high school or public school. We'd all be horrified. But nobody is horrified when a cert III is put in charge of a long day care centre'.⁶⁰⁸
- 4.147** Another issue raised was the ability to find high quality placements for students. Representatives from University of New England, Macquarie University and University of Wollongong all stated that they do not think students should be placed in services which have not been rated, or are 'working towards'.⁶⁰⁹

⁶⁰⁴ Evidence, Ms Pam White PSM, Co-lead of Victoria's Rapid Child Safety Review, 23 September 2025, p 60.

⁶⁰⁵ Evidence, Ms Pam White PSM, Co-lead of Victoria's Rapid Child Safety Review, 23 September 2025, p 60.

⁶⁰⁶ Evidence, Ms Karen Kearns, Chief Executive Officer and Director of Studies, International Child Care College, 14 August 2025, p 34.

⁶⁰⁷ Evidence, Ms Karen Kearns, Chief Executive Officer and Director of Studies, International Child Care College, 14 August 2025, p 34.

⁶⁰⁸ Evidence, Ms Karen Kearns, Chief Executive Officer and Director of Studies, International Child Care College, 14 August 2025, p 38.

⁶⁰⁹ Evidence, Professor Cathrine Neilsen-Hewett, Academic Director, The Early Years, University of Wollongong, 14 August 2025, p 41; Evidence, Professor Sandie Wong, Professor of Early Childhood Education and Co-Deputy Director of the Centre for Research in Early Childhood Education, Macquarie University, 14 August 2025, p 42; Evidence, Professor Caroline Cohrssen Deputy Head, School of Education, University of New England, 14 August 2025, p 42.

- 4.148** However, as raised by the University of Wollongong, 'universities are struggling to find sufficient high-quality placements, particularly given the shortage of qualified ECTs'.⁶¹⁰

Experience of children with disability

- 4.149** Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, told the committee that '[o]ne in four children experiences some kind of developmental delay or developmental need', and as such 'inclusion is a mainstream issue'.⁶¹¹ However, many inquiry participants commented that children with disability lack meaningful access to ECEC.
- 4.150** The evidence received in relation to this lack of meaningful access is considered through the following topics: funding and complexity of the system, and training and enrolment issues.

Funding and complexity of the system

- 4.151** The Disability Council NSW argued that the 'patchwork of public, private, and not-for-profit providers results in unequal access to quality, inclusive services, particularly in regional and disadvantaged areas'.⁶¹² They argued that '[f]unding models must do more to incentivise inclusion and support services prioritising equity'.⁶¹³
- 4.152** Dr Croser-Barlow contended that inclusion is the worst funded part of the ECEC system. She said she was 'in a room where someone described that we put \$11 billion a year into school disability loadings, and the Commonwealth puts, I think, \$180 million a year into ECEC inclusion support programs'.⁶¹⁴ She argued that the impact of this is that 'unmet inclusion needs often drive complex behaviours and challenges in the way that a centre is operating'.⁶¹⁵
- 4.153** Ms Christine Scott, Educator Member, United Workers Union, outlined some of the challenges with seeking support for inclusion, including obtaining a diagnosis, getting an NDIS plan, complexity of the system, approval times, and insufficient funding:

⁶¹⁰ Submission 62, School of Education, University of Wollongong, p 3.

⁶¹¹ Evidence, Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, 28 October 2025, p 8.

⁶¹² Submission 60, Disability Council NSW, p 5.

⁶¹³ Submission 60, Disability Council NSW, p 5.

⁶¹⁴ Evidence, Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, 28 October 2025, p 8.

⁶¹⁵ Evidence, Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, 28 October 2025, p 8.

To get inclusion funding a child needs a formal diagnosis or an NDIS plan, and even then a single therapy isn't enough. A severe speech delay still doesn't qualify unless paired with another service, like occupational therapy. Once we have evidence, we contact KU inclusion support, develop a plan, get parental permission and navigate a portal so complex that it can take a week to submit. Then we have to wait six to 16 weeks for approval. Funding is minimal—five to six hours a day for one child, eight hours total if more than one—and it stops if the child is away. It's for the room, not the individual child, but it stops. Worst of all, the funding doesn't cover a basic childcare wage. Services have to top it up themselves. Physical needs aren't funded at all.⁶¹⁶

Training and enrolment issues

- 4.154** Inquiry participants also commented on discriminatory practices in enrolment at ECEC services, and insufficient training of staff, leading to the exclusion of children with disability.
- 4.155** The Disability Council NSW claimed that services often tell families they are 'not equipped' to support children with disability'.⁶¹⁷ This was also raised by National Disability Services, who commented that parents or carers experience being 'skipped over when places are being offered', and being told services are 'unable to support their child'.⁶¹⁸
- 4.156** This theme is reflected by the Multicultural Disability Advocacy Association of NSW, who argued that '[m]any educators report feeling underprepared to work with children with disability, particularly when cultural or language differences are present'. This can then lead to 'communication with family ... not follow[ing] culturally safe practices'.⁶¹⁹
- 4.157** The Disability Council NSW put forward that there is 'insufficient training of early childhood educators in disability awareness and inclusive practices'.⁶²⁰ They argued 'this not only compromises the safety and development of children with disability but also increases the risk of neglect or unintentional harm'.⁶²¹
- 4.158** Inadequate training, support and understanding of inclusive practice can also lead to a reluctance of services to make reasonable adjustments for children with disability, the Disability Council NSW stated.⁶²²

⁶¹⁶ Evidence, Ms Christine Scott, Educator Member, United Workers Union, 13 August 2025, pp 50-51.

⁶¹⁷ Submission 60, Disability Council NSW, p 2.

⁶¹⁸ Submission 86, National Disability Services, p 10.

⁶¹⁹ Submission 122, Multicultural Disability Advocacy Association of NSW, p 3.

⁶²⁰ Submission 60, Disability Council NSW, p 3.

⁶²¹ Submission 60, Disability Council NSW, p 3.

⁶²² Submission 60, Disability Council NSW, p 2.

4.159 The following case study illustrates the lack of adequate support for a child with disability in a long daycare centre.

Case study: Barriers to accessing support in early childhood education and care⁶²³

Child X is a 4-year-old girl with autism from a culturally and linguistically diverse background. She has significant support needs, including emotional regulation challenges, delayed speech, fine motor difficulties and toileting issues. Her mother is her primary carer and advocate and requires an interpreter to communicate with the daycare centre.

After more than a year at the daycare centre, educators asked that Child X be picked up early after she began exhibiting new behaviours linked to her disability. Although staff were aware of her disability, they did not attempt to manage this change in behaviour. Child X's mother stated that 'due to a lack of relevant knowledge, the teachers were unable to manage X's behaviour and refused to provide assistance'.

Child X's mother had multiple discussions with the centre director about how staff could respond to these behaviours and was assured staff had the skills to do so. Despite this, daily photos sent to all parents showed Child X engaging in inappropriate behaviours while being ignored by staff.

Distressed by what was happening, Child X's mother lodged a complaint to the centre and increased occupational therapy support. The occupational therapist provided guidance to staff and attended meetings with the director. Staffing changes were later made at the centre, but educators were still not effectively trained in supporting children with autism. Child X continued to be isolated and unable to participate in group activities.

Staff-to-child ratios played a significant role in Child X's struggles to access appropriate support at her daycare centre. She requires constant one-on-one support, which is not possible under a 1:10 preschool ratio. Before moving to the preschool room at the start of 2025, Child X was in the toddler room, where the staff-to-child ratio was 1:5. After moving to the preschool room, no substantial strategies were put in place to support her transition into a new environment with lower staff-to-child ratios and fewer supports. Throughout this time Child X developed new behaviours linked to toileting and hygiene, which staff were unable to manage safely.

Regular requests to collect Child X early led her mother to reduce Child X's attendance at the centre by half. She also reduced her working days, resulting in a significant loss of their family income. At the same time, the mother was undertaking an external review of Child X's NDIS funding and needed detailed reporting from the centre, putting further strain on a relationship already marked by poor communication.

⁶²³ Submission 122, Multicultural Disability Advocacy Association of NSW, pp 4-6.

Child X's mother recounted feeling overwhelmed, unsupported and emotionally distressed, and continues to be concerned that 'her daughter remains excluded from meaningful participation'.

Committee comment

- 4.160** The committee notes that the NSW Early Learning Commission is the entity technically now responsible for the regulation of the early childhood education and care (ECEC) sector in New South Wales. Therefore, recommendations will be directed at the NSW Early Learning Commission, noting that the NSW Early Childhood Education and Care Regulatory Authority (NSW ECEC RA) was the regulator in force when evidence was received but also that the substantive operations, staff and powers of the NSW ECEC RA are significantly similar to that of the Early Learning Commission.
- 4.161** The committee recognises that the assessment and rating process of ECEC services can be overly subjective, lack consistency, and be infrequent and unreliable. Given it is a point in time assessment, it is clear that it cannot assess a service's quality day to day. It was also concerning to hear about the manipulation of the assessment and rating process by services to appear of a higher quality than they are. These factors cast doubt on the effectiveness of the assessment and rating process, and its reliability.
- 4.162** However, other evidence suggested ratings were a reliable indicator of quality, with higher quality services having fewer breaches, and more likely to have children developmentally on track when leaving for kindergarten.
- 4.163** With this in mind, the committee is of the view that the NSW Early Learning Commission should review their assessment and rating process to ensure consistency and measurability, and ensure adequate safeguards to prevent services manipulating the process to secure higher ratings. In addition, the committee recommends raising assessor qualification and experience standards and/or creating an audit of the assessor workforce to improve the quality and consistency of the assessment and rating process.
- 4.164** Furthermore, the committee recommends that the NSW Early Learning Commission continue to conduct significantly more unannounced spot checks on services to address the issue of services manipulating the assessment and rating process.

Recommendation 11

That the NSW Early Learning Commission review their assessment and rating process to ensure:

- consistency and measurability, including through raising assessor qualification and experience standards and/or creating an audit of the assessor workforce to improve the qualifications and experience of ratings assessors
- adequate safeguards are in place to prevent services manipulating the process to secure higher ratings.

Recommendation 12

That the NSW Early Learning Commission continue to conduct significantly more unannounced spot checks on services to address the issue of services manipulating the assessment and rating process.

- 4.165** Evidence to the committee suggested that the internal risk ratings available to the NSW ECEC RA are a valuable measure of a centre's quality. It is unclear to the committee why these ratings are kept confidential given they would be a valuable source of information for parents and carers when assessing where to send their children. As such, the committee recommends that the NSW Early Learning Commission publish internal risk ratings of ECEC services along with an explanation of how those risk ratings are derived.
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Recommendation 13

That the NSW Early Learning Commission publish internal risk ratings of early childhood education and care services along with an explanation of how those risk ratings are derived.

- 4.166** The infrequency of the assessment and rating process concerns the committee, particularly when some services are not assessed for years at a time. This is entirely unacceptable, given that parents and carers may be relying on outdated ratings when deciding on a service to entrust with their children. The committee does note issues with resourcing which has impacted on the ability of the NSW ECEC RA to conduct more frequent assessment and rating. Therefore, the committee recommends that the NSW Government mandate that every service must be assessed and rated at least every three years, and that they adequately fund the NSW Early Learning Commission to ensure this mandate can be met.
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Recommendation 14

That the NSW Government mandate that every early childhood education and care service be assessed and rated at least every three years, and that it adequately funds the NSW Early Learning Commission to ensure this mandate can be met.

- 4.167** The committee was extremely troubled to learn that some ECEC services have had breaches, compliance actions and 'working towards' ratings for years at a time, without the NSW ECEC RA shutting them down. Inquiry participants were appalled following release of the *Four Corners* Betrayal of Trust: Australia's Childcare Crisis documentary which exposed systemic issues within the sector causing cases of child abuse, neglect and injury. This is entirely unacceptable. Concerningly, the NSW ECEC RA has often acted too slowly, or taken insufficient action, against centres with multiple compliance breaches, safety incidents or persistently low ratings. The committee also notes that the NSW ECEC RA was, in some circumstances, hampered by other legal processes including NCAT that prevented it from taking sufficient action in an appropriate amount of time against centres with multiple compliance breaches, safety incidents, and persistently low ratings.
- 4.168** Therefore, the committee finds that the NSW ECEC RA failed to respond appropriately to services with extensive histories of non-compliance, breaches, safety incidents and persistently poor ratings.
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Finding 7

That the NSW Early Childhood Education and Care Regulatory Authority failed to respond appropriately to services with extensive histories of non-compliance, breaches, safety incidents and persistently poor ratings.

- 4.169** In an effort to address this regulatory failing, the committee was pleased to hear that the Australian Government has been putting relevant centres on notice that they will withdraw their Child Care Subsidy funding should they not improve.
- 4.170** Similarly, it is promising to see that information about services and their compliance history is becoming more transparent. The committee welcomes the NSW Early Learning Commission's publication of a more detailed register of enforcement actions. This goes some way to informing parents and carers about the safety of the services they are leaving their children with.
- 4.171** The committee acknowledges that the NSW Government is in a challenging position. Families need ECEC services – therefore, all centres that are failing cannot be closed overnight. However, we feel that more must be done. The
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committee was persuaded by arguments that the NSW Government should be able to appoint an administrator to run a centre, either until it improves to an acceptable standard, or until it is closed. To this end, the committee recommends that the NSW Government establish a process to appoint an administrator to take over poor performing services until the service improves or is closed.

Recommendation 15

That the NSW Government establish a process to appoint an administrator to take over poor performing services until the service improves or is closed.

- 4.172** The committee further notes its concern that large service providers have been granted approval to open new services even when not all of their existing services are not yet rated as Meeting the minimum standards. Accordingly, the committee recommends that providers applying to open new services cannot have a service rated as 'Working Towards' or lower.
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Recommendation 16

That the NSW Government ensures that providers applying to open new services cannot have a service rated as 'Working Towards' or lower.

- 4.173** The independent review into the NSW Early Childhood Education and Care Regulatory Authority has been heavily relied upon by the NSW Government to enact reforms to the ECEC sector. However, it is apparent that this review had limitations – it was undertaken in a short timeframe, and involved a review of 34 investigations which were selected by the NSW ECEC RA. It was acknowledged that a full forensic evaluation of each of the investigations was not undertaken due to time constraints.
- 4.174** The Wheeler Review also made recommendations about CCTV, including that the NSW Government consider proposing an amendment to the National Law to require new provider and service approvals to install CCTV. Throughout the inquiry, the committee heard evidence about the effectiveness of CCTV as a mechanism to protect children.
- 4.175** It is apparent to the committee that as a regulatory and investigative tool, CCTV is highly useful. However, participants expressed concern that CCTV could be used as a band aid solution to child safety issues. With this in mind, the committee finds that CCTV is a useful regulatory and investigative tool, but should not be relied upon for keeping children in ECEC settings safe and is no substitute for adequate staffing and supervision.
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Finding 8

That CCTV is a useful regulatory and investigative tool, but should not be relied upon for keeping children in early childhood education and care settings safe and is no substitute for adequate staffing and supervision.

- 4.176** The Working with Children Check (WWCC) scheme is a key aspect of the framework which keeps children safe in ECEC settings. As such, it was troubling to hear there is a lack of national consistency and information gaps within the scheme. The committee anticipates further reform in this space as the states and territories work with the Australian Government to implement the rollout of a national WWCC system.
- 4.177** The committee was pleased to hear that all state, territory and the Australian Government endorsed the Agreement to Deliver National WWCC reform.
- 4.178** Various reviews have made recommendations to strengthen the WWCC scheme, including through implementing consistent national standards. However, the committee notes that to date there are still no national standards for WWCC that are consistently upheld, as each jurisdiction legislates its own legal requirements for WWCCs.
- 4.179** The committee notes that as of 27 February 2026, a National Early Childhood Worker Register came into effect, whereby approved providers must enter and keep up-to-date information for everyone working or volunteering in their service.
- 4.180** The committee welcomes the National Educator Register, but notes concerns that implementation, if done poorly, could drive workers out of an already degraded workforce. As such, the committee makes recommendations on implementation in a way that protects the workforce supply.

Recommendation 17

That the NSW Government takes steps to ensure that the implementation of the National Educator Register:

- is nationally consistent so safety issues don't fall through the gaps of state-by-state regulation
 - includes mandatory high quality child safety training for all educators at registration (with training to be updated on an annual basis)
 - incorporates funding for ongoing professional development and training, including paid time to undertake the training and backfill to ensure no gaps in staffing
 - results in registration that is free or low cost and is fast - no educator should be forced to wait months to start work during a staffing crisis
 - provide that pre-employment screening be conducted by a centralised body, with serious offences automatically precluding employment and other offences triggering a risk assessment process
 - ensures access to natural justice - educators must be provided with a fair opportunity to respond to complaints or matters that would result in their exclusion from the sector
 - ensures educators have an opportunity to appeal decisions, both internally and externally, at no or low cost. Educators must also have a right to be represented during the process.
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4.181 It was concerning to hear of gaps in information sharing between the NSW ECEC RA and the Office of the Children's Guardian (OCG). Sharing of information between these agencies is critical to ensure that the WWCC and other child safety schemes are effective and up to date. While it was pleasing to hear that a Memorandum of Understanding has been established between the OCG and the Early Learning Commission for information sharing purposes, the committee does note this took some time to finalise.

4.182 The committee acknowledges the hard work, dedication and commitment of the ECEC workforce. It is clear that staff often receive low pay, work under challenging conditions, and face a variety of unfair, and at times, unlawful pressures from management. It is clear that reform is needed to improve the experience of educators, teachers and staff in the ECEC sector. In turn, such reform increases the quality of services and safety of children.

4.183 The committee also acknowledges that understaffing is a persistent issue within the ECEC sector. With this in mind, it is unacceptable that so many centres, primarily for-profit, have staffing waivers in place. Proper staffing is critical to keeping our children safe. This includes having permanent staff, noting the increasing casualisation and use of labour hire entities. Casualisation impacts safety and quality. The committee notes that children's development is dependent on secure, attached relationships with adults around them, including educators and teachers. The committee therefore recommends that staffing waivers only be given as a last resort and only for a short period of time.

Recommendation 18

That the Early Learning Commission ensures that staffing waivers be given as a last resort measure and for a short period of time only.

- 4.184** Considering the issue of staffing within centres, it was particularly concerning to learn about centres persistently using 'under the roof' ratios to cut staffing costs. The committee is pleased to learn that recommendations in ACECQA's Rapid Assessment of Child Safe Practices Report include amending the National Quality Standard to remove reference to 'across the service' ratios and explicitly define 'adequately and actively supervised' to drive consistent practice. The committee is cautiously optimistic about the positive changes this will effect in the ECEC sector given all Australian Education Ministers have indicated commitment to implementing all recommendations from the Rapid Assessment. However, the committee notes that staffing ratios were an area in which the NSW ECEC RA had taken a particularly lax approach to enforcement, with countless incidents of understaffing going unsanctioned for many years. As such, the committee recommends that the Early Learning Commission adopt a 'zero tolerance' approach in relation to imposing penalties for staff ratio breaches that have led to or could reasonably lead to harm to children.
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Recommendation 19

That the Early Learning Commission adopt a 'zero tolerance' approach in relation to imposing penalties for staff ratio breaches that have led to or could reasonably lead to harm to children.

- 4.185** The pay and conditions of staff is clearly a significant issue in the sector. Educators and teachers are subject to complex and voluminous amounts of work, with inadequate remuneration. The ECEC sector must be seen as providing education, not as childcare. One step towards this would be pay parity with primary school teachers. As such, the committee recommends that the NSW Government as a matter of priority continue to work with the Australian Government, and peak bodies, to introduce pay parity with school teachers for ECEC educators and teachers.
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Recommendation 20

That the NSW Government as a matter of priority continue to work with the Australian Government, and peak bodies, to introduce pay parity with school teachers for early childhood education and care educators and teachers.

- 4.186** Staff in the sector commented on the requirements of centres that they photograph children to send to parents or carers. There were mixed views on this requirement, with many educators expressing concern that this requirement takes them away from having quality time with children. The committee also feels unease about the security of these photographs. Therefore, the committee recommends that the Early Learning Commission review whether requirements to photograph children to send to parents or carers is an unnecessary task that detracts from the core roles and responsibilities of ECEC staff and to consider whether to prescribe the manner and extent to which photographs of children should be required by a service to be taken in order to distribute to parents and carers.
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Recommendation 21

That the Early Learning Commission review whether requirements to photograph children to send to parents or carers is an unnecessary task that detracts from the core roles and responsibilities of early childhood education and care staff and to consider whether to prescribe the manner and extent to which photographs of children should be required by a service to be taken in order to distribute to parents and carers.

- 4.187** The committee notes the challenging conditions which staff members on visas are often placed in. Not only are these staff members often required to work unlawfully, for example, working unpaid on weekends, they can also be too scared to report safety breaches as they need their employer for sponsorship.
- 4.188** It is clear to the committee that educators and teachers are required to undertake a significant volume of training as part of their work. Throughout this report, the committee has recommended a range of additional trainings to support the safety of children and uplift the quality of education and care. However, the committee acknowledges that staff are often not given sufficient time within work hours to complete mandatory training. It is unacceptable that staff are being forced to complete mandatory training outside of work hours. As such, the committee recommends that the NSW Government work with the Australian Government, and peak bodies, to introduce paid annual leave for the ECEC workforce to undertake training.
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Recommendation 22

That the NSW Government work with the Australian Government, and peak bodies, to introduce paid annual leave for the early childhood education and care workforce to undertake training.

- 4.189** Training institutions must provide quality education to ensure students are well placed to work in the ECEC sector. The increase in private for-profit training institutions offering low quality qualifications, leaving students inadequately prepared for the ECEC workforce is of concern to the committee. It is essential that the Australian Skills Quality Authority and Tertiary Education Quality and Standards Agency monitor and evaluate relevant registered training organisations to ensure students acquire the skills and knowledge they need to work in the sector.
- 4.190** It was also concerning to hear that students working towards qualifications or completing school-based apprenticeships and traineeships are being counted in ratios at ECEC services. Students should have the opportunity to learn and develop during placements. These students may not have adequate child safety and other training to allow them to appropriately respond to any incidents. As such, the committee recommends that the NSW Government investigate ways in which to prevent apprentices and trainees from being unsupervised around children while being counted in educator to child ratios.

Recommendation 23

That the NSW Government investigate ways in which to prevent apprentices and trainees from being unsupervised around children while being counted in educator to child ratios.

- 4.191** Further to this, the committee was concerned to learn that people working towards qualifications can undertake senior positions at centres. Centre directors and other senior roles require significant knowledge and experience to guarantee the quality of education for children and ensure their safety.
- 4.192** Placements offer an important opportunity for students to garner work experience in the sector. It is essential that these placements are at services which are at least rated as 'meeting'. To this end, the committee recommends that the NSW Government prevent early childhood education and care services not yet rated or those rated 'working towards' from taking student placements.

Recommendation 24

That the NSW Government prevent services not yet rated or those rated 'working towards' from taking student placements.

- 4.193** The safety and experience of all children is critical in ECEC. Children with disability or additional needs should not be excluded because of this. Unfortunately, evidence suggests these children are often excluded, with centres

failing to enrol children with additional needs, and those that do, fail to make adequate adjustments. To this end, the committee recommends that the NSW Government implement measures to ensure children with additional needs cannot be rejected from early childhood education and care services because of their additional needs, and that services must provide reasonable adjustments to support children.

Recommendation 25

That the NSW Government implement measures to ensure children with additional needs cannot be rejected from services because of their additional needs, and that services must provide reasonable adjustments to support children.

4.194 The committee was concerned to hear that many children with disability were not being accepted into or provided adequately for within for-profit ECEC services and that not-for-profit ECEC services were taking on a disproportionate number of children with disability despite receiving insufficient funding to do so. In particular, the committee notes the evidence that the Start Strong program funding per child with a disability is ordinarily insufficient to cover the service's additional costs in supporting that child and that no additional funding is provided for a child with disability who is also Aboriginal. Further, the committee notes that recent changes and announced reforms to the NDIS, particularly in the context of uncertainty around the new Thriving Kids program to be rolled out at State level, could leave many children with disability not having access to ECEC services or having a reduced level of support at such services. Accordingly, the committee recommends that the NSW Government:

- urgently reviews the funding arrangements for children with disability in ECEC setting to ensure that services are able to adequately meet the needs of all children with disability requesting placement in their service
- introduces a NSW-wide inclusion funding stream for ECEC that enables services to build workforce capability and implement service-level improvement plans to support inclusion
- creates a dedicated office to support parents of excluded children, enabling them to report exclusionary practices as clear breaches of the NQF.

Recommendation 26

That the NSW Government:

- urgently reviews the funding arrangements for children with disability in early childhood education and care settings to ensure that services are able to adequately meet the needs of all children with disability requesting placement in their service
 - introduces a New South Wales wide inclusion funding stream for early childhood education and care that enables services to build workforce capability and implement service-level improvement plans to support inclusion
 - creates a dedicated office to support parents of excluded children, enabling them to report exclusionary practices as clear breaches of the NQF.
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4.195 It is clear to the committee that staff and centres are often inadequately trained to assist children with additional needs. This is compounded for children from culturally and linguistically diverse backgrounds, with staff often unable to communicate with children and families in a culturally safe way. Therefore, staff and centres need more support to engage in inclusive practice, which ensures all children feel safe, cared and supported in their learning and development at ECEC. As such, the committee recommends that the NSW Government ensure all staff in ECEC receive adequate training to support children with disability or additional needs, including children from culturally and linguistically diverse backgrounds.

Recommendation 27

That the NSW Government ensure all staff in early childhood education and care receive adequate training to support children with disability or additional needs, including children from culturally and linguistically diverse backgrounds.

Chapter 5 Issues with reporting

This chapter discusses the increasing awareness of sexual abuse of children in early childhood education and care services. It considers the reasons that predators have been able to enter early childhood education and care settings, and explores ways to protect children from this abuse. It also examines issues for parents, carers and workers in reporting alleged or suspected abuse, and approaches to improving the reporting of child safety concerns.

Sexual abuse of children in early childhood education and care services

- 5.1** As outlined in Chapter 2, high-profile arrests in 2023 and 2025 of alleged sexual offenders (one now convicted), and the ABC's *Four Corners* 'Hunting Ground' program highlighted that child sexual offenders have used early childhood education and care (ECEC) services to offend.
- 5.2** This section examines the vulnerabilities in the ECEC sector which have allowed perpetrators to enter the sector, and issues with centres failing to report sexual abuse. It also considers evidence received from inquiry participants about ways to prevent and combat the sexual abuse of children in ECEC.

Reasons for predators entering the early childhood education and care sector

- 5.3** Inquiry participants raised a number of reasons for predators being able to enter the ECEC sector.
- 5.4** Body Safety Australia identified structural and cultural issues that have contributed to environments allowing predators to enter the ECEC sector. Some of these include workforce instability, inadequate training and qualifications, profit driven provider models, regulatory gaps and inconsistent oversight, cultural silence and community discomfort.⁶²⁴ They argued that 'systemic weaknesses have created conditions that can be exploited by individuals seeking to harm children. These vulnerabilities are not incidental, they are the result of structural, cultural, and regulatory failures that demand urgent reform'.⁶²⁵ For example, in relation to workforce instability, they argued that 'chronic staff shortages, low wages, and high turnover have eroded the protective capacity of ECEC settings'.⁶²⁶
- 5.5** When questioned as to the reasons ECEC services are so attractive for predators, and what structural changes can be made to address this, Ms Deanne Carson,

⁶²⁴ Submission 146, Body Safety Australia, pp 4-6.

⁶²⁵ Submission 146, Body Safety Australia, p 4.

⁶²⁶ Submission 146, Body Safety Australia, p 4.

Chief Executive Officer, Body Safety Australia responded that the profession is undervalued, and often shareholders are the centre of consideration, rather than children:

We don't value the early childhood education profession as a profession. We don't pay them like we pay professionals. We don't provide them with the qualifications that we provide other professionals. They are often small workplaces, but large employers. So you have people in leadership who perhaps have very little experience, who might be very young, who might be in the workplace and are not as supported as they should be. It is also because I think, most importantly, our client is actually, in so many cases, shareholders, not children.⁶²⁷

5.6 Whereas, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, contended that offenders will look for centres that are not adhering to process, which allows them to offend against children:

What people don't really understand is a lot of these offenders are very, very smart. They've got an aim in mind. What they will do is they will centre shop. They'll go to a number of centres and work there, and if they have the appropriate processes in place that they can't offend, they'll move on to the next centre. That's why you'll see, if you look at some of the histories of some of the high-profile offenders, some of them worked in 21 centres; some have worked in 50 centres. What they'll do is they'll basically shop around. They'll find a centre that's perhaps not adhering to the processes, and then what they will do is then stay there and that's how they then get to offend against the children.⁶²⁸

5.7 In addition, Detective Superintendent Howlett argued that '[i]f the centre is doing the right thing, you'll find that they'll move on because they'll realise they're not going to get what they want'.⁶²⁹

5.8 Body Safety Australia also commented on information sharing between jurisdictions being an issue contributing to predators entering ECEC services. They observed that 'information sharing between jurisdictions remains limited, allowing perpetrators to move undetected between roles and locations'.⁶³⁰ To address this, they called for a national system for sharing information about

⁶²⁷ Evidence, Ms Deanne Carson, Chief Executive Officer, Body Safety Australia, 14 August 2025, pp 29-30.

⁶²⁸ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 4.

⁶²⁹ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 5.

⁶³⁰ Submission 146, Body Safety Australia, p 5 citing Lucas, F. (2025). Concerns raised about Victoria's WWCC system after 'repeated failures'. The Sector. <https://thesector.com.au/2025/04/18/concerns-raised-about-victorias-wwcc-system-after-repeated-failures/>

'individuals banned or disciplined for child safety breaches'. This would include '[c]ross-state and cross-sector data sharing', '[i]nclusion of non-criminal but substantiated conduct' and '[i]ntegration with the Working with Children Check (WWCC) system'.⁶³¹

- 5.9** In relation to the NSW Government response to some of these issues, Mr Murat Dizdar, Secretary, NSW Department of Education, was asked about the failure of the NSW Government to act quickly in response to the National Child Safety Review. Mr Dizdar said that 'it's been on record from the Federal education Minister that everyone could have acted with greater haste in response to what is a very disturbing situation in the sector across the country'.⁶³²

Centres failing to report

- 5.10** Inquiry participants raised that, at times, ECEC services fail to report suspected sexual abuse. Issues with reporting relating to parents, carers and workers, is considered at 5.37-5.55.
- 5.11** Ms Deanne Carson, Chief Executive Officer, Body Safety Australia, commented that centres may not want to report due to concerns about reputation: 'sometimes it is an image base, and that's what happens when you have commercial privatisation'.⁶³³
- 5.12** As an example of a service failing to report in an adequate timeframe, Only About Children (OAC) employed Mr Tong, who was eventually found guilty of sexual touching. Ms Anna Learmonth, Chief Executive Officer, Only About Children, commented that the 'incident was entirely unacceptable and the reporting time entirely unacceptable as well'. It was raised with Ms Learmonth that it took OAC eight days after the formal reportable conduct notification to stand down Mr Tong and notify police. She responded that it 'was unacceptable time frames'.⁶³⁴
- 5.13** The following case study demonstrates the experience of a family whose child was sexually abused in an ECEC service, and the subsequent response of the service.

⁶³¹ Submission 146, Body Safety Australia, p 11.

⁶³² Evidence, Mr Murat Dizdar, Secretary, NSW Department of Education, 28 October 2025, p 38.

⁶³³ Evidence, Ms Deanne Carson, Chief Executive Officer, Body Safety Australia, 14 August 2025, p 25.

⁶³⁴ Evidence, Ms Anna Learmonth, Chief Executive Officer, Only About Children, 23 September 2025, p 27.

Case study: Sexual abuse of a child in early childhood education and care⁶³⁵

In 2024, in a small town in regional New South Wales, a new staff member joined the only long daycare facility in town.

A four-year-old boy attending the daycare centre openly disliked the new staff member and was reported as being rude and aggressive towards the new staff member. When questioned by his parents as to his behaviour, the child replied that he was 'protecting his friend' but wouldn't say anything more. This conversation brought unease to the parents and they asked their son to stay away from the new staff member and to never be alone with him.

Not long after this conversation, when the mother went to pick her son up from the centre, she realised that the entry codes to the centre had changed and that the parents were not given any prior notice. After questioning the front desk, the mother was told it was done 'just to change things up.' The mother also noticed that the new staff member's photo was removed from the entry hallway.

The next day, rumours of a paedophile at the centre started circulating. The parents immediately spoke to their son and he told them that he and some of his friends were touched inappropriately by the new staff member. After further questioning the boy indicated that he was touched on his backside and genitalia.

The parents immediately organised to meet the newly appointed centre director. When the details of the conversation with their son were revealed to the director, she appeared remorseful and expressed sorrow that this had happened. The director also revealed that several other children in the centre had been abused by this particular staff member and that he was reported by other staff. The director shared details of the detective in charge of the case and encouraged the parents to contact him immediately.

When questioned about why the centre had failed to communicate the incident to parents, they were told that head office had sent a directive advising not to initiate any conversations related to the matter and to wait and see who came forward with details.

The mother expressed that '... every day brings a new sense of fear, helplessness, outrage, despair, shame and guilt' that she could not protect her son. She added: '... there are thousands of other families who have to share this harrowing and haunting baggage. It can't be for nothing. It can't go on unheard and unnoticed.'

Protecting children from sexual abuse in early childhood education and care

- 5.14** Various measures were raised to help prevent predators from entering the ECEC sector. These included improved hiring practices and staffing practices, and education and training to prevent, identify and respond to sexual abuse.

Hiring practices

- 5.15** Ms Deanne Carson, Chief Executive Officer, Body Safety Australia, explained that the Child Safe Standards and principles are relevant to hiring practices. She explained how services with good hiring practices will advertise being a child safe organisation, ask relevant questions and do reference checks on the phone or over teams. Conversely, educators hired through agencies may never speak face to face with a centre, or have an interview:

We work with organisations who have extraordinary hiring practices. When they advertise, they will talk explicitly about how they're a child-safe organisation. They will ask the interview questions. They will do the reference checks on the phone or on Teams or Zoom and actually talk to a person. Then we have educators who work for agencies who may never, ever meet anyone. In fact, they're not actually employees. They just have an ABN, they upload their qualification and all of a sudden they're being placed in spaces where they've never worked before. They've never had an interview with anyone. We really need to address the hiring practices and give the directors or the organisations the skills to ask child-safe questions.⁶³⁶

- 5.16** Dr Ros Baxter, Chief Executive Officer, Goodstart Early Learning, expressed the importance of child safe recruitment practices 'encompass[ing] your casual and agency staff and your relationships with agencies', as well as 'comprehensive "do not rehire" policies.'⁶³⁷ Dr Baxter explained why it is so important for a centre:

once you identify that you have a casual or an agency person who might not have the right characteristics or who you might have concerns about, you are then able to make sure you've got rigorous processes to make sure they don't come in through another door.⁶³⁸

- 5.17** Relevantly, the *Children (Education and Care Services National Law Application) Amendment Act 2025* includes changes to the National Regulations in NSW which will require staffing policies and procedures to include:

- child-safe recruitment practices, including a requirement for reasonable enquiries to be made about whether a prospective staff member at the service is subject to a suspension notice, supervision notice, prohibition notice or enforceable undertaking
- ongoing child-safe recruitment practices, including a requirement for reasonable enquiries to be made about whether a staff member at the

⁶³⁵ Submission 149, Name suppressed, pp 1-6.

⁶³⁶ Evidence, Ms Deanne Carson, Chief Executive Officer, Body Safety Australia, 14 August 2025, p 27.

⁶³⁷ Evidence, Dr Ros Baxter, Chief Executive Officer, Goodstart Early Learning, 28 October 2025, pp 13-14.

⁶³⁸ Evidence, Dr Ros Baxter, Chief Executive Officer, Goodstart Early Learning, 28 October 2025, p 14.

service is subject to a suspension notice, supervision notice, prohibition notice or enforceable undertaking.⁶³⁹

Staffing requirements

- 5.18** Inquiry participants suggested various ways to improve staffing to protect children from predators.
- 5.19** One of these suggestions was having at least two staff members with line of sight of each other at all times, sometimes called 'four eyes'.
- 5.20** Ms Christine Legg, Chief Executive Officer, KU Children's Services, argued that '[a]lways having two staff in line of sight of each other is incredibly important so that if, for instance, the worst-case scenario is you do have a paedophile come into your centre, unknowingly, there's never any opportunity for them to be left alone with children'.⁶⁴⁰
- 5.21** This was demonstrated in practice, with Ms Alison Geale, Chief Executive Officer, Bravehearts, outlining the environmental contexts which prevented offending in the Ashley Paul Griffith case. For example, she stated 'in the nappy change area, it wasn't that there wasn't a male there; it was that there were two people always in that area'.⁶⁴¹
- 5.22** Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, supported the 'four eyes' rule, stating that 'with appropriate exceptions for regional and remote areas where it might remove the ability to have any access to ECEC... I think it's a good safety measure'.⁶⁴²
- 5.23** However, Dr Croser-Barlow did note the limitations of the 'four eyes' rule, particularly in terms of quality. She noted that the 'four eyes could be casual eyes who are not used to working together, who are not operating in a way that supports a calm and purposeful ECEC environment'.⁶⁴³

⁶³⁹ NSW Government Education, *Child safe recruitment and employment practices* (30 January 2026) <https://education.nsw.gov.au/early-childhood-education/regulation-and-compliance/regulation-assessment-and-rating/child-safety/working-with-children>.

⁶⁴⁰ Evidence, Ms Christine Legg, Chief Executive Officer, KU Children's Services, 28 October 2025, pp 11-12.

⁶⁴¹ Evidence, Ms Alison Geale, Chief Executive Officer, Bravehearts, 14 August 2025, pp 27-28.

⁶⁴² Evidence, Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, 28 October 2025, p 4.

⁶⁴³ Evidence, Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, 28 October 2025, p 4.

- 5.24** Further, Dr Croser-Barlow argued there is an opportunity to use data about the performance of services to dictate how they can improve staffing requirements. She explained this could individualise staffing requirements to improve quality:

I'm really interested in how do we use, in a much more sophisticated way, kind of balanced scorecards of the performance of services using all this data that we have about them ...

I suspect, for example, that if you had a balanced scorecard that looked at things like how long have you been in the workforce, how long have you been in this service, what's your workforce retention like or how frequently are you using casuals, you don't aim for just one of those things, because once you do one, you get into the gaming thing that we end up with. But I think if we make those things visible and we're like, "Look, your service is, on average, looking a bit like it's a high-risk service in relation to safety or quality"—that information is useful for the centre director and it's useful for the board that's overseeing the ownership of that centre, if it's in one of those kinds of structures. It's also useful for parents and for the regulators.⁶⁴⁴

- 5.25** Ms Kay Turner, Chief Executive Officer, SDN Children's Services, commented that higher quality services are safer for children, and while there must be sufficient numbers of staff, they must also be appropriately qualified and work well as a team:

... [W]e know that higher quality services are also safer services. They work hand in hand. While safety relies on having the right number of people for the number of children and their ages, it's also having the appropriately qualified people, not just any people, and people who have the right leadership and who can work as a team.⁶⁴⁵

Education and training on child abuse

- 5.26** Inquiry participants raised that education and training for workers, parents and carers is crucial to protecting children from sexual abuse.
- 5.27** Ms Roxana Diamond, Advocacy and Communications Officer, Body Safety Australia, told the committee that Body Safety Australia conducted a survey following the Joshua Dale Brown case. This found 97 per cent of workers in ECEC wanted more access to child safety training.⁶⁴⁶ Seventy-eight per cent wanted to know more about teaching children body safety while 67 per cent wanted greater

⁶⁴⁴ Evidence, Dr Caroline Croser-Barlow, Chief Executive Officer, The Front Project, 28 October 2025, p 4.

⁶⁴⁵ Evidence, Ms Kay Turner, Chief Executive Officer, SDN Children's Services, 28 October 2025, p 11.

⁶⁴⁶ Evidence, Ms Roxana Diamond, Advocacy and Communications Officer, Body Safety Australia, 14 August 2025, p 24.

access to professional development through interactive sessions with wraparound support.⁶⁴⁷

5.28 Ms Leesa Waters, Chief Executive Officer, NAPCAN, advocated for an educational campaign for parents and carers to ensure they know how to act if they have concerns.⁶⁴⁸ Ms Diamond similarly argued that parents and carers need workshops to understand these issues.⁶⁴⁹

5.29 Ms Lisa Bryant, Education and Care Consultant and Advocate, explained the importance of training about grooming.⁶⁵⁰ She said she has 'seen cases where the directors were really groomed by a perpetrator and had no idea what was happening, and it was obvious to all of us outside what had happened, but they had no idea what was happening to them'.⁶⁵¹

5.30 When asked about the benefit of making child safety training mandatory, Ms Deanne Carson, Chief Executive Officer, Body Safety Australia, outlined that the term 'child safety training' can mean different things. She outlined some aspects that this term should encompass:

- mandatory reporting training
- body safety training
- Child Safe Standards or the national principles
- reportable conduct training.⁶⁵²

5.31 Ms Roxana Diamond, Advocacy and Communications Officer, Body Safety Australia, argued that mandatory training of this type 'has to be in person'. She noted the prerecorded modules might be an 'easy solution' but when it is

⁶⁴⁷ Evidence, Ms Roxana Diamond, Advocacy and Communications Officer, Body Safety Australia, 14 August 2025, pp 24-25.

⁶⁴⁸ Evidence, Ms Leesa Waters, Chief Executive Officer, NAPCAN, 14 August 2025, p 23.

⁶⁴⁹ Evidence, Ms Roxana Diamond, Advocacy and Communications Officer, Body Safety Australia, 14 August 2025, p 26.

⁶⁵⁰ According to the National Office for Child Safety, grooming refers to intentional behaviours that manipulate and control a child, as well as their family, kin and carers, other support networks, or organisations in order to perpetrate child sexual abuse. Grooming can occur online or in person (National Office for Child Safety, Grooming, <https://www.childsafety.gov.au/about-child-sexual-abuse/grooming>). It is also an offence to groom a child under section 66EB(3) of the *Crimes Act 1900*.

⁶⁵¹ Evidence, Ms Lisa Bryant, Education and Care Consultant and Advocate, 13 August 2025, p 31.

⁶⁵² Evidence, Ms Deanne Carson, Chief Executive Officer, Body Safety Australia, 14 August 2025, p 28.

delivered in person 'we have the richest conversations and people are asking questions, and that's when the real behaviour change work happens'.⁶⁵³

5.32 Likewise, Mr Greg Antcliff, Chief Operating Officer, NAPCAN, was of the view that 'one-off trainings don't work', and instead suggested that they 'need to have them with follow-up'. For example, he told the committee that in Queensland, they are looking at 'wrapping communities of practice around all the people that come to our Safer Communities for Children training to ensure our support with implementing those practices back in their work contexts'.⁶⁵⁴

5.33 Furthermore, Ms Deanne Carson, Chief Executive Officer, Body Safety Australia, raised that child sexual offenders will seek out vulnerable children. As environments become safer, primarily in better resourced communities, this can leave more vulnerable children at risk:

The more we make environments safer, the more that child sex offenders look for the least safe environment. If we're having this conversation and we are resourcing some early childhood centres—we are resourcing perhaps the better resourced communities—to make them safer, then we still have the predators and we still have the child sex offenders. They are still trying to find the most vulnerable children.⁶⁵⁵

5.34 In response, Mr Murat Dizdar, Secretary, NSW Department of Education, advised that there will be 'mandatory child safety training for everyone in the sector that's going to be released in early 2026 ... developed by the Australian Centre for Child Protection'. Mr Dizdar explained that it will include 'understanding child safety; understanding and identifying child abuse and neglect, including how to report; enhancing safety and preventing child abuse and neglect; and responding to safeguarding concerns'.⁶⁵⁶ Given the timeframes of this inquiry, the committee did not hear evidence about the effectiveness of this training.

5.35 According to the Australian Government Department of Education website, this training is mandatory for persons with management or control, nominated supervisors, persons in day-to-day charge, Family Day Care Educators, and other staff, volunteers and students at ECEC services. It is delivered via Gecco, the Australian Government Department of Education's online learning platform and is free. In order to support the training, Child Care Subsidy approved providers can

⁶⁵³ Evidence, Ms Roxana Diamond, Advocacy and Communications Officer, Body Safety Australia, 14 August 2025, p 28.

⁶⁵⁴ Evidence, Mr Greg Antcliff, Chief Operating Officer, NAPCAN, 14 August 2025, p 28.

⁶⁵⁵ Evidence, Ms Deanne Carson, Chief Executive Officer, Body Safety Australia, 14 August 2025, p 29.

⁶⁵⁶ Evidence, Mr Murat Dizdar, Secretary, NSW Department of Education, 28 October 2025, p 46.

close services early to support staff to complete the training, and there are wage subsidy grants available which prioritise small to medium providers.⁶⁵⁷

Reporting processes

5.36 Throughout the inquiry, participants raised issues with reporting child safety concerns for parents and carers, and workers. This section outlines the evidence about these issues, and it explores ways to enhance reporting processes, including centralised reporting and improving the reporting culture of ECEC services.

Issues with reporting for parents and carers

5.37 The committee heard of the difficulties that parents and carers can face when it comes to reporting concerns about their child in an ECEC service.

5.38 Ms Pam White PSM, Co-lead, Rapid Child Safety Review, Victoria, explained to the committee that in the Rapid Child Safety Review, they 'had lots of evidence about how difficult it is to clearly see how to make a complaint'. She was of the view that 'parents are sometimes confused about who they go to: police, the commission for young people or child protection'.⁶⁵⁸

5.39 Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, acknowledged the difficulties parents can face when they are uncomfortable about an educator, or have suspicions their child has been abused. She stated that parents can feel they should be reporting to the director of the centre, however they 'shouldn't be doing that ... they're tipping off the educator or the centre about what's taking place'.⁶⁵⁹

5.40 Detective Superintendent Howlett informed the committee of high profile cases where parents had approached centre directors and been told they were overreacting, or that the behaviour is commonplace. She expressed cynicism about services in this context, stating that 'money's involved, and they don't want

⁶⁵⁷ Australian Government Department of Education, *Mandatory national child safety training* (18 February 2026) <https://www.education.gov.au/early-childhood/about/quality-and-safety/mandatory-national-child-safety-training>.

⁶⁵⁸ Evidence, Ms Pam White, Co-lead, Rapid Child Safety Review, Victoria, 23 September 2025, p 59.

⁶⁵⁹ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 7.

their centre to get a bad reputation'.⁶⁶⁰ Ultimately, she encouraged parents to report to police.⁶⁶¹

5.41 The following case study illustrates the issues faced by parents when reporting serious concerns about their children.

Case study: Issues with reporting for parents⁶⁶²

On 23 January 2025, a three-year-old girl, upon returning home from daycare, reported her private area was extremely sore. When the parent asked to check, the child appeared scared and hesitant. The parent assured the child that they would check only if she was comfortable and encouraged her to let them know if the pain continued.

Later that evening, the child repeatedly expressed discomfort and upon examination, the parent found a deep purple bruise on the inside of her labia and a red abrasion near the vaginal opening, which appeared to have bled. The child claimed that two of her peers at daycare touched her vagina with their fingers and tried to insert a toy hammer and Lego. When asked about where the teachers were when this incident occurred, the child said they were not present.

The parent immediately called the daycare centre and spoke to the assistant director. The parent was assured that the assistant director would speak with the educators the following day.

The next morning the daycare centre director contacted the parent and informed that two educators said that the child had fallen on 23 January 2025 and injured her vagina. It was only during this phone call that the parent was made aware of any incident. Until then no incident report had been completed or phone call made to inform the parent and no permission sought by the educators to examine the child. The incident report was finally received on 24 January 2025, with details that the educators had observed bleeding, taken her to the bathroom and examined and wiped her vagina.

Given the seriousness of the incident and lack of communication from the daycare centre the parent lodged a formal complaint with the Department of Education. The parent emphasised the necessity of a thorough investigation and the importance of holding the centre accountable.

On 20 February 2025, the parent was informed that an investigation had commenced and that a site visit would be conducted. The parent was informed on 3 March 2025 that the investigation had concluded due to insufficient evidence. This left the parent

⁶⁶⁰ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 7.

⁶⁶¹ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 7.

⁶⁶² Submission 37, Name suppressed, pp 1-2.

deeply concerned about the safety and wellbeing of young children under care. The parent argued that communication, parental notification, proper supervision by qualified educators, and mandatory reporting are critical to safeguarding children.

Issues with reporting for workers

- 5.42** As outlined in Chapter 2, for workers there are different reporting mechanisms for various types of behaviour in New South Wales, including the reportable conduct scheme, mandatory reporting, reporting to the regulator and reporting to NSW Police.
- 5.43** Inquiry participants expressed an array of concerns for workers relating to reporting child safety or other issues, including:
- confusion about where to report
 - fear of retribution or discouragement from reporting
 - lack of action if a report is made.

Confusion about where to report

- 5.44** Several inquiry participants commented that workers were unsure where to make appropriate reports.
- 5.45** For example, Ms Lisa Bryant, Education and Care Consultant and Advocate, outlined challenges for staff in identifying reporting lines:

Educators, especially if they're not university trained, are often puzzled by how government works, how systems in our society work. If they see that, they're going to go, "I've got no idea what I'm doing here. Do I need to report this to the police? Do I need to report it to the department? Is it reportable conduct? Is this a mandatory reporting thing?"⁶⁶³

- 5.46** Ms Cheyanne Carter, Chief Executive Officer & Founder, Divergent Education advised there is confusion about where to report, noting that many educators don't know when to report to the Office of the Children's Guardian (OCG) or the regulator.⁶⁶⁴ She added that '[u]nless educators have this information in front of them and are being guided, they don't know where to report for what'.⁶⁶⁵
- 5.47** Similarly, Bega Valley Shire Council noted that reporting obligations, platforms and timeframes can be complex and confusing, with workers being required to

⁶⁶³ Evidence, Ms Lisa Bryant, Education and Care Consultant and Advocate, 13 August 2025, p 28.

⁶⁶⁴ Evidence, Ms Cheyanne Carter, Chief Executive Officer & Founder Divergent Education, 13 August 2025, p 29.

⁶⁶⁵ Evidence, Ms Cheyanne Carter, Chief Executive Officer & Founder Divergent Education, 13 August 2025, p 29.

'report child safety concerns to a number of different agencies including NSW Police, the Department of Communities and Justice (DCJ), the Office of the Children's Guardian and the NSW Department of Education Regulatory Authority'.⁶⁶⁶

- 5.48** Body Safety Australia also raised that mandatory reporting varies across jurisdictions, which also creates 'confusion among educators about their legal responsibilities'. They also noted that workers express 'uncertainty about what constitutes a reportable concern, who to report to, and how to navigate the process'. They further noted that '[t]his confusion is compounded by inconsistent terminology and thresholds for reporting, which can delay or prevent action when abuse is suspected'.⁶⁶⁷

Fear of retribution and discouragement from reporting

- 5.49** Evidence was received about concerns educators have about reporting. Inquiry participants also raised that often staff are actively discouraged by management from making reports.
- 5.50** For example, Ms Natalie Dabarera, Research Coordinator, United Workers Union, referred to results of a survey of 3,000 educators conducted by the Union which found that 'more than half of educators feel uncomfortable raising concerns and two-thirds say that their issues go unheard when they raise those issues'.⁶⁶⁸
- 5.51** Ms Cheyanne Carter, Chief Executive Officer & Founder, Divergent Education, spoke to issues of anonymity with whistleblower protections, raising that 'when educators are reporting to the department, as much as they say it's anonymous, many times, the officer will disclose information to the director that enables them to know who the educator is'. She continued by saying '[t]hat educator is then mistreated'.⁶⁶⁹ For example, reduced hours, being excluded, or losing their job which 'creates this fear of "I can't even report to the department because I'm afraid that they're going to let my boss know that it was me." She concluded that it disincentivises reporting'.⁶⁷⁰
- 5.52** Similarly, Ms Clare Fairhall, Educator Member, United Workers Union, told the committee about her experience of being discouraged from reporting, as she was told this was an upper management issue. She raised that this conflicted with her child safety training:

⁶⁶⁶ Submission 65, Bega Valley Shire Council, p 3.

⁶⁶⁷ Submission 146, Body Safety Australia, p 6.

⁶⁶⁸ Evidence, Natalie Dabarera, Research Coordinator, United Workers Union, 13 August 2025, p 50.

⁶⁶⁹ Evidence, Ms Cheyanne Carter, Chief Executive Officer & Founder Divergent Education, 13 August 2025, p 31.

⁶⁷⁰ Evidence, Ms Cheyanne Carter, Chief Executive Officer & Founder Divergent Education, 13 August 2025, p 31.

When I was a trainee in a for-profit service, my experience was that reporting safety concerns was not my responsibility; it was the responsibility of my director and then my director had the responsibility to her area manager. There was a hierarchy to follow. That's not what we learn at a child protection level. At a child protection level, I'm a mandatory reporter and so I can make a report of my own accord, but this is discouraged within a lot of services.⁶⁷¹

- 5.53** Ms Fairhall continued, using an example of reporting a safety concern, leading to the centre covering this report up. She also remarked on the commonality of educators being managed out for raising safety concerns:

I made a report of a safety concern when I saw babies' nappies were not changed for the whole day. I hadn't seen children in my room since drop-off that morning. I came back to them at three o'clock in the afternoon and those children were sitting in nappies from the morning, some of them in the same nappies their parent put them in when they brought them to care.

I reported this to my director and, instead of that being reported up the line, she and the room leader fudged the paperwork, basically, so that it didn't go any further ... I've had a lot of instances where you might report a safety concern and it is turned on you and used punitively against the educator, and you'll quickly be managed out for raising concerns.⁶⁷²

- 5.54** As outlined in Chapter 2, the NSW Government enacted strengthened whistleblower protections through the *Children (Education and Care Services National Law Application) Amendment Act 2025*.⁶⁷³
- 5.55** Mr Chris Wheeler PSM, Consultant, outlined that the Bill (subsequently passed) extended public interest disclosure protections from existing staff, to 'former staff, parents and anybody else who makes a disclosure either to the management of the service or to the regulatory authority'.⁶⁷⁴ The reforms also included that persons can make a protected disclosure to a manager of an approved provider or service.⁶⁷⁵

⁶⁷¹ Evidence, Ms Clare Fairhall, Educator Member, United Workers Union, 13 August 2025, p 57.

⁶⁷² Evidence, Ms Clare Fairhall, Educator Member, United Workers Union, 13 August 2025, p 57.

⁶⁷³ NSW Government Education, *Child safety reforms pass the NSW Parliament*, Education (30 October 2025) <https://education.nsw.gov.au/early-childhood-education/leadership/news/child-safety-reforms-pass-the-nsw-parliament>.

⁶⁷⁴ Evidence, Mr Chris Wheeler PSM, Consultant, 23 September 2025, p 38.

⁶⁷⁵ Children (Education and Care Services National Law Application) Amendment Bill 2025 cl 297(1)(b).

Centralised reporting

- 5.56** In order to address the confusion faced by parents and carers, and workers about reporting, inquiry participants made recommendations to centralise reporting and to simplify the reporting process.

Single reporting line

- 5.57** In her submission, Ms Lisa Bryant, Early Education and Care Advocate recommended 'the immediate establishment of a single reporting line for all educators who have seen other educators or providers engaging in acts that could or do harm children'.⁶⁷⁶

- 5.58** Similarly, Body Safety Australia recommended a dedicated national hotline for early childhood educators so they can '[s]eek advice on complex child safety concerns', '[n]avigate mandatory reporting obligations' and '[a]ccess trauma-informed support'.⁶⁷⁷

- 5.59** Mr Chris Wheeler PSM, Consultant, described mandatory reporting obligations as a 'maze'. He argued '[t]he requirements are inconsistent' and said '[o]bviously people had no idea what the obligations were'. As such, he argued for coordination between agencies, as he was 'told by people who've worked in services ... quite often different regulatory bodies would be asking them what's happening with the other regulatory body, you know, "What's the OCG doing? What's the regulatory authority doing?" They weren't talking to each other'.⁶⁷⁸ In light of this, he called for a triage body which would coordinate information received by different bodies:

... [I]f you had a triage body, they could also make sure that there was coordination between the bodies that are getting this information. To me, it's absolutely vital. When you've got different bodies that have different roles in relation to the protection of children, the idea that they're wandering off on their own or that they just can't properly coordinate—it's not acceptable.⁶⁷⁹

- 5.60** Affinity Education Group also recommended a coordinated approach between the regulator, OCG and other relevant agencies to minimise duplication of incident notifications and to streamline investigative processes.⁶⁸⁰ They also proposed a 'central digital platform that enables Approved Providers to submit a single notification that meets the requirements of all relevant oversight bodies'. They

⁶⁷⁶ Submission 9, Ms Lisa Bryant, p 5.

⁶⁷⁷ Submission 146, Body Safety Australia, p 11.

⁶⁷⁸ Evidence, Mr Chris Wheeler PSM, Consultant, 23 September 2025, p 39.

⁶⁷⁹ Evidence, Mr Chris Wheeler PSM, Consultant, 23 September 2025, p 39.

⁶⁸⁰ Submission 121, Affinity Education Group, p 8.

suggested such a platform 'should allow secure data-sharing and reduce the need for duplicate reporting or follow-up requests from multiple agencies'.⁶⁸¹

Clarifying reporting processes

- 5.61** In relation to the prosecution of offences, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, was asked whether NSW Police or the NSW Early Childhood Education and Care Regulatory Authority (NSW ECEC RA) are responsible when offences under the National Law might also constitute a criminal offence. Some of the incidents put to Detective Superintendent Howlett included centres force-feeding children, restraining children for hours, dragging children by their elbows and punching children. It was suggested to Detective Superintendent Howlett that some of these were dealt with via plea negotiations through the NSW ECEC RA regulatory team.⁶⁸² Detective Superintendent Howlett responded that such matters 'should be reported to the police first of all; then it should go to them [regulator] if there's not sufficient evidence to charge'.⁶⁸³
- 5.62** Detective Superintendent Howlett also advocated for an open database available to police which highlights problematic behaviours that have not reached a criminal investigation.⁶⁸⁴ This would include reports of suspicions or allegations about their behaviour.⁶⁸⁵
- 5.63** As outlined at 5.39-5.40, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, discouraged parents from reporting safety or other concerns to the ECEC service.⁶⁸⁶ If a matter doesn't reach a criminal element, Detective Superintendent Howlett encouraged parents to report 'to early education or the working with children area' within the Department of Education. If a child is injured, she encouraged parents to report to NSW Police. She noted that police will be 'able to make those inquiries with the centre and confirm what's actually taken place and whether it's another child that committed the injury or whatever. But at the end of the day, it should be reported'.⁶⁸⁷

⁶⁸¹ Submission 121, Affinity Education Group, p 8.

⁶⁸² Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 10.

⁶⁸³ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 10.

⁶⁸⁴ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 5.

⁶⁸⁵ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 7.

⁶⁸⁶ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 7.

⁶⁸⁷ Evidence, Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force, 14 August 2025, p 7.

Reporting culture

- 5.64** To combat concerns about retribution for reporting, inquiry participants raised the importance of a strong reporting culture within organisations.
- 5.65** The Joint NFP Submission commented that a strong reporting culture is essential for regulators to operate effectively, noting that '[w]here incidents are not reported, the regulator relies on external complaints to know when and where to investigate'.⁶⁸⁸
- 5.66** In order to achieve this, the Joint NFP Submission outlined that they have 'made significant investments and set expectations over many years' in order to ensure their services have 'a strong culture of reporting and transparency', 'a focus on action, rectification and continuous improvement' and 'a learning mindset and appropriate internal governance processes'.⁶⁸⁹
- 5.67** In contrast, Ms Deanne Carson, Chief Executive Officer, Body Safety Australia, commented on staff being discouraged from having conversations with children which may lead to disclosures of abuse: 'there's been a culture of saying to early childhood educators, teachers—actually anyone working with children—"You are not qualified to interview children and so you shouldn't say anything", to the extent that we're not even opening up the conversations'.⁶⁹⁰
- 5.68** While Ms Carson acknowledged there are some conversations that should be left to professionals, 'we're not having the conversations that allow for children to disclose if there is something to disclose'.⁶⁹¹ In this context, Ms Carson told the committee that workers want clarity on the demarcation between educator responsibility and what should be handed over.⁶⁹²
- 5.69** Early Childhood Australia NSW argued that while it is 'important to have a strong reporting culture within early childhood education and care (ECEC) services ... we know that this is not evident in every ECEC service'.⁶⁹³ The Joint NFP Submission recommended 'actively promot[ing] a reporting culture across the whole sector'.⁶⁹⁴

⁶⁸⁸ Submission 129, Joint NFP Submission, p 11.

⁶⁸⁹ Submission 129, Joint NFP Submission, p 11.

⁶⁹⁰ Evidence, Ms Deanne Carson, Chief Executive Officer, Body Safety Australia, 14 August 2025, p 25.

⁶⁹¹ Evidence, Ms Deanne Carson, Chief Executive Officer, Body Safety Australia, 14 August 2025, p 25.

⁶⁹² Evidence, Ms Deanne Carson, Chief Executive Officer, Body Safety Australia, 14 August 2025, p 25.

⁶⁹³ Submission 148, Early Childhood Australia NSW, p 6.

⁶⁹⁴ Submission 129, Joint NFP Submission, p 15.

- 5.70** Mrs Nicole Jones, Chief Executive Officer, Gowrie NSW, commented that wraparound supports and whistleblower policies are critical to this culture. She also expressed the importance of leadership within centres to ensure workers understand their obligations, and there is honest, open communication amongst nominated supervisors, employees and educators.⁶⁹⁵
- 5.71** Ms Kim Bertino, Chief Executive Officer, Big Fat Smile, spoke about the importance of transparency. She noted that in large organisations when situations do occur, 'it's about sharing the information and sharing the learnings across the organisation so people don't operate with this sense of fear that you don't have a culture of reporting, because it goes underground'.⁶⁹⁶

Committee comment

- 5.72** The committee was extremely disturbed by the revelations of children being sexually abused in early childhood education and care (ECEC) settings. This was exposed through the *Four Corners* 'Hunting Ground' documentary, the arrest of ECEC workers for sexual abuse of children, and in submissions and evidence to the committee.
- 5.73** The committee cannot attribute this failure to one thing. Understaffing, high turnover of staff, inadequate training for workers, regulatory gaps and inconsistent oversight, community discomfort and silence, as well as inadequate and confusing reporting mechanisms are but a few of the factors which have allowed predators to enter and exploit the ECEC system. However, it is clear to the committee that abuse is far less likely to occur in settings where there is adequate staffing levels such that no staff member is rarely alone with a child at any time. The committee also notes that levels of understaffing and ratio breaches are significantly higher in for-profit ECEC settings and that breaches of these requirements have not been penalised appropriately. As such, the committee finds that systemic weaknesses in the early childhood education and care sector, including the proliferation of for-profit services and a lax regulatory approach, have allowed predators to enter the sector and abuse children.

Finding 9

That systemic weaknesses in the early childhood education and care sector, including the proliferation of for-profit services and a lax regulatory approach, have allowed predators to enter the sector and abuse children.

⁶⁹⁵ Evidence, Mrs Nicole Jones, Chief Executive Officer, Gowrie NSW, 28 October 2025, p 16.

⁶⁹⁶ Evidence, Ms Kim Bertino, Chief Executive Officer, Big Fat Smile, 28 October 2025, p 17.

- 5.74** More must be done to protect children from sexual abuse in ECEC settings. Adults hold this responsibility. The abuse of one child is too many. The committee is of the view that prevention of sexual abuse must be the priority. There must also be mechanisms in place in the terrible circumstances that sexual abuse does occur to a child.
- 5.75** Poor hiring practices have allowed predators to enter ECEC services. The committee was alarmed to learn that predators have entered centres without having had a face to face interview, or had references checked. It seems that predators are most likely to enter services as casual or agency staff. All services must undertake child safe recruitment practices, inclusive of agency and casual staff. The committee is pleased to hear about child safe recruitment reforms which will require services to undertake child safe recruitment practices and ongoing child safe employment practices.
- 5.76** It is apparent that many predators have worked with valid Working with Children Checks, without any criminal history to alert centres to their true nature. It is important that parents, carers and staff have a pathway to report conduct which may not constitute reportable conduct, mandatory reporting conduct or a criminal offence. As such, the committee recommends that the NSW Government investigate the viability of a database to hold information about reported problematic behaviours of ECEC staff, which may be held by NSW Police or another appropriate body.

Recommendation 28

That the NSW Government investigate the viability of a database to hold information about reported problematic behaviours of early childhood education and care staff, which may be held by NSW Police or another appropriate body.

- 5.77** The evidence to the committee strongly suggested staffing plays a critical role in preventing the sexual abuse of children, should a predator become employed by a service.
- 5.78** It was clear to the committee that the 'four eyes' rule, ensuring that at least two staff members are always in line of sight of each other, is an important safety step. This goes some way to prevent offending against children by ensuring a predator would not be left alone with a child. To this end, the committee recommends that the NSW Government introduce a requirement that at least two staff members are in line of sight of each other at all times when interacting with children at ECEC services.

Recommendation 29

That the NSW Government introduce a requirement that at least two staff members are in line of sight of each other at all times when interacting with children at early childhood education and care services.

5.79 It also became apparent to the committee that the ECEC workforce is looking for further education and training to prevent and manage sexual abuse of children in ECEC services. The committee acknowledges that child safety training can mean a variety of different things to different people. However, there was good guidance from the evidence as to what this training may include, such as, mandatory reporting, body safety, Child Safe Standards or national principles, and reportable conduct training.

5.80 Child safety training must be a continuous learning experience for educators and teachers. It was impressed upon the committee the importance of such training being in person and that it offer a wraparound approach for workers to have ongoing support. Crucially, parents must be involved and have access to quality education and training so they can prevent and identify child abuse. The committee notes that the Australian Government has introduced mandatory child safety training for all staff. Given the timeframes of this inquiry, the committee did not hear evidence on the effectiveness or otherwise of this training. However, the committee is concerned that this training is online, and it is unclear whether it has wraparound, ongoing supports. With this in mind, the committee recommends that the NSW Government call on the Australian Government to conduct a review of the mandatory child safety training after 12 months and share the outcome of the review with all states and territories.

Recommendation 30

That the NSW Government call on the Australian Government to conduct a review of the mandatory child safety training after 12 months and share the outcome of the review with all states and territories.

5.81 Further to this, parents must have access to, and be encouraged, to access child safety training. As such, the committee recommends that the NSW Early Learning Commission develop and advertise free child safety training to be available for all parents and carers.

Recommendation 31

That the NSW Early Learning Commission develop and advertise free child safety training to be available for all parents and carers.

- 5.82** Reporting processes must be improved to ensure the safety of all children in ECEC services. The committee acknowledges that the reporting landscape is confusing, and may lead to duplication of resources for agencies. Further, it seems unnecessarily burdensome and confusing for workers to be reporting a single incident to multiple agencies. The committee was persuaded by calls from participants for a centralised reporting line in New South Wales for workers making reports. This would address confusion about what conduct should be reported where, and the issue with reporting one incident to multiple agencies. As such, the committee recommends that the NSW Government implement a single reporting line for ECEC staff, and others, to make child safety reports which will notify relevant agencies on the reporter's behalf.

Recommendation 32

That the NSW Government implement a single reporting line for early childhood education and care staff, and others, to make child safety reports which will notify relevant agencies on the reporter's behalf.

- 5.83** The fear about reporting is shared by many staff in the sector. Reasons for this include: fearing they will lose their job, be managed out, and isolated from coworkers amongst other things. However, reporting is central to keeping children safe. A strong workplace reporting culture is critical to preventing this fear for staff. To this end, the committee recommends that the NSW Early Learning Commission investigate and implement strategies to improve reporting culture across the early childhood education and care sector.

Recommendation 33

That the NSW Early Learning Commission investigate and implement strategies to improve reporting culture across the early childhood education and care sector.

- 5.84** The importance of criminal allegations being reported to NSW Police was stressed to the committee. However, we were concerned to hear that this isn't always the case. It seems that, at times, conduct that may constitute an offence under the criminal law has been dealt with by the NSW Early Childhood Education and Care Regulatory Authority.

- 5.85** It is clear to the committee that any such allegations should, in the first instance, be considered by NSW Police. Should NSW Police be of the view that criminal charges are not appropriate, such matters should be referred back to the NSW Early Learning Commission for consideration. As such, the committee recommends that the NSW Early Learning Commission refer all matters which

may constitute a criminal offence and an offence under the National Law or National Regulations to NSW Police in the first instance.

Recommendation 34

That the NSW Early Learning Commission refer all matters which may constitute a criminal offence and an offence under the *Education and Care Services National Law Act 2010* or Education and Care Services National Regulations 2010 to NSW Police in the first instance.

- 5.86** Reforms to prevent the sexual abuse of children in ECEC services must be equitably applied. As services become safer, predators will seek out less safe, and often less resourced, environments. All children deserve to be cared for and feel safe in ECEC services, regardless of where they live or the resources of their community. As such, the committee recommends that the NSW Government ensure that all child safety reforms are applied equitably to all early childhood education and care services.
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Recommendation 35

That the NSW Government ensure that all child safety reforms are applied equitably to all early childhood education and care services.

Appendix 1 Consultation with children – summary report

On Friday 21 November 2025, Ms Abigail Boyd and Ms Rachel Merton engaged in consultation with children from a Gowrie NSW early childhood education and care service in their private capacity as members of Parliament.

Parliament House visit

The two members met with eight children, aged four to five years old, from a Gowrie NSW early childhood education and care service. These children were supported by two Early Childhood Educators, Simone Watt and Shannon Ehlers. Nicole Jones (Gowrie CEO), Dasha Ellery (Centre Director), Rhys Morris (Office for Youth) and Una O'Neill (Director, Office for Youth) were also supporting the consultation.

Focus areas

The children participated in different activities to explore the following focus areas:

- how children feel about attending early childhood education and care services
- what their favourite activities are and how they are supported to learn
- what makes them feel safe and cared for.

Activities

The children participated in different activities during the consultation to facilitate conversation around the focus areas. Firstly, children either played Lego, or were drawing. They chatted informally with each other, their educators, and the members.

Prior to the consultation, the children and educators had taken photos of their favourite spaces, activities or things at preschool. They had also been asked what made them feel safe. The photos and answers were displayed on posters.

After the initial activity, all children joined members and their educators on the floormat to discuss the posters.

How children feel about attending early childhood education and care services

When asked about their favourite things about preschool, the children spoke about:

- spending time with their friends
- drawing
- playing
- eating their favourite foods
- playing with Lego.

The children expressed similar answers when asked what makes them feel better when they didn't want to come to preschool. Support from their friends and educators emerged as a key theme in their responses.

What are their favourite activities and how are they supported to learn

The children showed educators and members photographs of their favourite activities at preschool:

- The bookshelf

The children spoke about picking books to read and learning new words. When one child was asked about why they liked the bookshelf, they explained 'I like reading and I'm good at reading'. Another said that they 'love learning new words and I love learning to read'.

- Lego and blocks

The children spoke about enjoying playing with Lego and blocks. When asked why, one child shared 'I like making cool stuff with blocks ... like a race car'.

- The art making table

The children also spoke about enjoying the art making table. In particular, children enjoyed drawing and creating make-up with arts and crafts.

What makes them feel safe and cared for

The educators had spoken to children in preparation for the consultation about what makes them feel safe and cared for, and these were written on a poster to show the members.

Some of these answers included:

- 'When my parents go it's hard, but the teachers always look after me'
- 'I feel happy when my friends and teachers look after me'
- 'I feel safe when I'm outside playing games with my friends'
- 'I like it when my friends are here'
- 'Teachers need to make sure no bad guys come into the school'.

The educators also spoke to the children about ways grown-ups plan for their safety, for example, through fire drills and practising hiding if there is an emergency.

The responses from the children about what they enjoyed doing at preschool, and how they felt safe, were primarily about their friends and play.

Appendix 2 Orders for papers 13 November 2024

48 ORDER FOR PAPERS—EARLY CHILDHOOD EDUCATION AND CARE SECTOR

Ms Boyd, by leave, amended private members' business item no. 1561 by:

- (1) Omitting "21 days" and inserting instead "28 days".
- (2) Omitting "created since 1 January 2020" and inserting instead "created since 1 January 2021".
- (3) In paragraph (k) inserting "(other than standardised notices or circulars sent to all, or a category of, ECEC providers)" after "forms of communication".

Ms Boyd moved, according to notice, as by leave amended: That, under standing order 52, there be laid upon the table of the House within 28 days of the date of passing of this resolution the following documents created since 1 January 2021, in electronic format if possible, in the possession, custody or control of the Deputy Premier, Minister for Education and Early Learning and Minister for Western Sydney, the Department of Education, the Minister for Police and Counter-terrorism and Minister for the Hunter, the NSW Police Force, the Minister for Families and Communities and Minister for Disability Inclusion, the Department of Communities and Justice, or the Office of the Children's Guardian relating to the early childhood education and care sector:

- (a) all documents relating to emergency action notices, prohibition notices, suspension notices, compliance notices, show cause notices or other notices or directions served on or regarding early childhood education and care (ECEC) providers under the Children (Education and Care Services) National Law (NSW) 2010 (the National Law),
- (b) all written notices of decisions to cancel, suspend or continue approval of a service provider,
- (c) any notifications to parents of children enrolled at an education and care service about the suspension or cancellation of provider approval,
- (d) all documents relating to enforceable undertakings regarding early childhood education and care,
- (e) all documents relating to suspected, alleged or actual criminal conduct, reportable incidents or allegation or risk of significant harm incidents, including:
 - (i) suspected criminal conduct in an ECEC provider towards a child,
 - (ii) alleged or actual criminal activity, including fraud, in relation to ECEC provision in New South Wales,
 - (iii) any investigations of suspected or proven criminal conduct towards a child or any other criminal activity related to New South Wales ECEC provision,
 - (iv) any actual or alleged offence of failing to notify certain circumstances or information, or failing to keep enrolment and other documents, as required by the National Law,
 - (v) any actual or alleged offence of using inappropriate discipline or of using an inappropriate person,
 - (vi) any actual or alleged offence relating to protection of children from harm and hazards,
 - (vii) any reports or notifications to the Department of Communities and Justice of risk of significant harm ('ROSH') for children while in the care of New South Wales ECEC providers,
 - (viii) any reports or notifications to the Office of Children's Guardian of reportable allegations against staff, volunteers or contractors working for a New South Wales ECEC provider,

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-
- (ix) any reports or notifications of reportable incidents to the National Quality Agenda IT System (NQA ITS) from New South Wales ECEC providers,
 - (f) all documents, including ministerial briefing documents, relating to death, serious injury or physical or sexual abuse of a child and a New South Wales ECEC facility or staff,
 - (g) all documents, including any briefs, relating to prosecutions of early childhood providers and educators, including in relation to:
 - (i) any recommendations for prosecution for conduct towards a child suspected to be criminal, or other criminal activity related to ECEC provision in New South Wales,
 - (ii) any recommendations for prosecution of criminal conduct against any New South Wales ECEC providers and or staff in such a facility,
 - (iii) any prosecution of any New South Wales ECEC providers or their employees or contractors,
 - (h) all documents relating to allegations of fraud, money laundering or scams regarding New South Wales ECEC provision,
 - (i) all documents regarding actual or alleged wage underpayment in any New South Wales ECEC,
 - (j) all correspondence with the Productivity Commission or the Australian Competition and Consumer Commission relating to New South Wales ECEC providers,
 - (k) all documents, including emails and all forms of communication (other than standardised notices or circulars sent to all, or a category of, ECEC providers), sent between the department and representatives or employees of any of the following entities:
 - (i) G8 Education,
 - (ii) Guardian Child Care,
 - (iii) Affinity Education Group,
 - (vi) Busy Bees Early Learning Australia,
 - (v) Edge Early Learning,
 - (vi) Green Leaves,
 - (vii) Imagine Education,
 - (viii) Story House Early Learning,
 - (ix) Montessori Academy,
 - (x) Greentown Education,
 - (xi) Bright Horizons, also known as Only About Children,
 - (xii) Nido Early School,
 - (xiii) Mayfield,
 - (xiv) Sparrow Early Learning,
 - (xv) Fullshare Holdings,
 - (xvi) Journey Early Learning,
 - (xvii) Little Zak's Academy,
 - (xviii) Eden Academy,
 - (xix) Embark Early Education,
 - (xx) Stepping Stones,
 - (xxi) Explore and Develop,
 - (xxii) Aspire Early Learning,
 - (xxiii) Tallawong Childcare,
 - (xxiv) Tallawong Early Learning,
 - (xxv) Genius Childcare,
 - (l) all documents regarding compliance visits, spot checks or other compliance monitoring activities of ECEC providers,
 - (m) all documents relating to grants and payments made by the Childcare and Economic Opportunity Fund since its inception,
 - (n) all documents relating to grants and payments made under the Start Strong for Long Day Care program, and

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- (o) any legal or other advice regarding the scope or validity of this order of the House created as a result of this order of the House.

Debate ensued.

Mr Graham, by leave, spoke beyond the time for debate.

Debate continued.

Question put.

The House divided.

Ayes20
 Noes12
 Majority.....8

AYES

Barrett
 Boyd
 Buckingham
 Carter
 Cohn
 Fachrmann
 Fang (teller)

Farlow
 Farraway
 Higginson
 Hurst
 Latham
 MacDonald
 Maclaren-Jones

Martin
 Mihailuk
 Munro
 Rath (teller)
 Roberts
 Ward

NOES

Buttigieg
 D'Adam
 Donnelly
 Graham

Jackson
 Kaine
 Lawrence
 Moriarty

Murphy (teller)
 Nanva (teller)
 Primrose
 Suvaal

PAIRS

Merton
 Mitchell
 Tudehope

Houssos
 Sharpe
 Mookhey

Question resolved in the affirmative.

Appendix 3 Orders for papers 18 March 2025

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-
- (b) notes that delays in the provision of documents, and the provision of inaccurate information, to orders for papers undermines the integrity and efficacy of a critical power of the House, and
 - (c) reminds the Leader of the Government that, as the representative of the Government in this House, they are responsible for compliance with orders for papers passed by the Legislative Council.
- (4) That this House accordingly censures the Leader of the Government, as the representative of the Government in this House, for the Government's failure to comply with the order of the House regarding the early childhood education and care sector of 13 November 2024.
- (5) That, under standing order 52, there be laid upon the table of the House within 14 days of the date of passing of this resolution the following documents, excluding any documents previously returned under an order of the House, created since 1 January 2021 in the possession, custody or control of the Deputy Premier, Minister for Education and Early Learning and Minister for Western Sydney, the Department of Education, the Minister for Police and Counter-terrorism and Minister for the Hunter, the NSW Police Force, the Minister for Families and Communities and Minister for Disability Inclusion, or the Department of Communities and Justice relating to the early childhood education and care sector:
- (a) all documents relating to emergency action notices, prohibition notices, suspension notices, compliance notices, show cause notices or other notices or directions served on or regarding early childhood education and care (ECEC) providers under the Children (Education and Care Services) National Law (NSW) 2010 (the National Law),
 - (b) all written notices of decisions to cancel, suspend or continue approval of a service provider,
 - (c) any notifications to parents of children enrolled at an education and care service about the suspension or cancellation of provider approval,
 - (d) all documents relating to enforceable undertakings regarding early childhood education and care,
 - (e) all documents relating to suspected, alleged or actual criminal conduct, reportable incidents or allegation or risk of significant harm incidents, including:
 - (i) suspected criminal conduct in an ECEC provider towards a child,
 - (ii) alleged or actual criminal activity, including fraud, in relation to ECEC provision in New South Wales,
 - (iii) any investigations of suspected or proven criminal conduct towards a child or any other criminal activity related to New South Wales ECEC provision,
 - (iv) any actual or alleged offence of failing to notify certain circumstances or information, or failing to keep enrolment and other documents, as required by the National Law,
 - (v) any actual or alleged offence of using inappropriate discipline or of using an inappropriate person,
 - (vi) any actual or alleged offence relating to protection of children from harm and hazards,
 - (vii) any reports or notifications to the Department of Communities and Justice of risk of significant harm ('ROSH') for children while in the care of New South Wales ECEC providers,
 - (viii) any reports or notifications to the Office of Children's Guardian of reportable allegations against staff, volunteers or contractors working for a New South Wales ECEC provider,
 - (ix) any reports or notifications of reportable incidents to the National Quality Agenda IT System (NQA ITS) from New South Wales ECEC providers,
 - (f) all documents, including ministerial briefing documents, relating to death, serious injury or physical or sexual abuse of a child and a New South Wales ECEC facility or staff,

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Legislative Council Minutes No. 92—Tuesday 18 March 2025

- (g) all documents, including any briefs, relating to prosecutions of early childhood providers and educators, including in relation to:
 - (i) any recommendations for prosecution for conduct towards a child suspected to be criminal, or other criminal activity related to ECEC provision in New South Wales,
 - (ii) any recommendations for prosecution of criminal conduct against any New South Wales ECEC providers and or staff in such a facility,
 - (iii) any prosecution of any New South Wales ECEC providers or their employees or contractors,
- (h) all documents relating to allegations of fraud, money laundering or scams regarding New South Wales ECEC provision,
- (i) all documents regarding actual or alleged wage underpayment in any New South Wales ECEC,
- (j) all correspondence with the Productivity Commission or the Australian Competition and Consumer Commission relating to New South Wales ECEC providers,
- (k) all documents, including emails and all forms of communication (other than standardised notices or circulars sent to all, or a category of, ECEC providers), sent between the department and representatives or employees of any of the following entities:
 - (i) G8 Education,
 - (ii) Guardian Child Care,
 - (iii) Affinity Education Group,
 - (iv) Busy Bees Early Learning Australia,
 - (v) Edge Early Learning,
 - (vi) Green Leaves,
 - (vii) Imagine Education,
 - (viii) Story House Early Learning,
 - (ix) Montessori Academy,
 - (x) Greentown Education,
 - (xi) Bright Horizons, also known as Only About Children,
 - (xii) Nido Early School,
 - (xiii) Mayfield,
 - (xiv) Sparrow Early Learning,
 - (xv) Fullshare Holdings,
 - (xvi) Journey Early Learning,
 - (xvii) Little Zak's Academy,
 - (xviii) Eden Academy,
 - (xix) Embark Early Education,
 - (xx) Stepping Stones,
 - (xxi) Explore and Develop,
 - (xxii) Aspire Early Learning,
 - (xxiii) Tallawong Childcare,
 - (xxiv) Tallawong Early Learning,
 - (xxv) Genius Childcare,
- (l) all documents regarding compliance visits, spot checks or other compliance monitoring activities of ECEC providers,
- (m) all documents relating to grants and payments made by the Childcare and Economic Opportunity Fund since its inception,
- (n) all documents relating to grants and payments made under the Start Strong for Long Day Care program, and
- (o) any legal or other advice regarding the scope or validity of this order of the House created as a result of this order of the House.

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- (6) That, should the Leader of the Government fail to table documents in compliance with this resolution, it is open to this House to take all necessary action, including further censuring the Leader of the Government, adjudging the Leader of the Government guilty of contempt and suspending the Leader of the Government for whatever period necessary to cause compliance with this order of the House.

Debate ensued.

The House divided.

Ayes20
 Noes15
 Majority.....5

AYES

Barrett
 Boyd
 Carter
 Cohn
 Fachrmann
 Fang (teller)
 Farlow

Higginson
 Hurst
 MacDonald
 Maclaren-Jones
 Martin
 Merton
 Mitchell

Munro
 Overall
 Rath (teller)
 Roberts
 Ruddick
 Ward

NOES

Buckingham
 Buttigieg
 Donnelly
 Graham
 Houssos

Jackson
 Kaine
 Lawrence
 Mookhey
 Moriarty

Murphy (teller)
 Nanva (teller)
 Primrose
 Sharpe
 Suvaal

PAIRS

Tudehope

D'Adam

Question resolved in the affirmative.

Appendix 4 Submissions

No.	Author
1	Lord Howe Island Community Preschool
2	Albury Preschool
3	Mrs Sarah Pershouse
4	Paddington Out of School Care
5	Tashu Singh
6	Ms Sarah Taylor
7	Dr Jane Hunter
8	Mr Scott Jones
9	Ms Lisa Bryant
10	Ms Kathy Gelding
11	Mrs Simone Anderson
12	Mr David Fraser
13	Ms Hayley Masters
14	Sydney Catholic Early Childhood Services
15	Jason Lockwood
16	Name suppressed
17	Name suppressed
18	Name suppressed
19	Name suppressed
20	Name suppressed
21	Name suppressed
22	Name suppressed
23	Name suppressed
24	Name suppressed
25	Name suppressed
26	Name suppressed
27	Name suppressed
28	Name suppressed
29	Name suppressed
30	Name suppressed
31	Name suppressed
32	Name suppressed

No.	Author
32a	Name suppressed
33	Name suppressed
34	Name suppressed
35	Name suppressed
36	Name suppressed
37	Name suppressed
38	Name suppressed
39	Confidential
40	Confidential
41	Confidential
42	Confidential
43	Confidential
44	Ms Lara Apollonov
45	Miss Courtney Maxwell
46	Name suppressed
47	Name suppressed
48	Name suppressed
49	Confidential
50	Ms Karen Kearns
51	Northern Rivers Preschool Alliance
52	Regional Development Australia Riverina
53	Name suppressed
54	Name suppressed
55	Confidential
56	Confidential
57	Confidential
58	Confidential
59	Name suppressed
60	Disability Council NSW
61	Australian Institute for Teaching and School Leadership Limited (AITSL)
62	School of Education, University of Wollongong
63	University of New England
64	RSL NSW
65	Bega Valley Shire Council
66	Centre for Research in Early Childhood Education, Macquarie University

No.	Author
67	KU Children's Services Central Office
68	Parents Work Collective
69	Reggio Emilia Australia Information Exchange (REAIE)
70	Dr Linda Newman
71	Lane Cove Council
72	Independent Education Union of Australia NSW/ACT Branch
73	Autism Awareness Australia
74	Mrs Annalise Lamarra
75	Name suppressed
76	Name suppressed
77	Name suppressed
78	Name suppressed
79	Name suppressed
80	Confidential
81	Canterbury-Bankstown Council
82	NSW Primary Principals' Association Early Childhood Education Standing Committee
83	Australian Children's Education and Care Quality Authority
84	Isolated Children's Parents' Association of NSW
85	Reimagine Australia
86	National Disability Services
87	Siblings Australia
88	Public Service Association of NSW
89	Name suppressed
90	Ms Elisabeth Warren
90a	Ms Elisabeth Warren
91	Byron Bay and Northern Rivers Preschools
92	Name suppressed
93	Name suppressed
94	Centre Support
95	Country Women's Association of NSW (CWA)
96	Allergy & Anaphylaxis Australia
97	Uniting NSW.ACT
98	G8 Education
99	Community Industry Group

No.	Author
100	ChildAware
101	United Workers Union
102	Early Childhood Intervention Best Practice Network
103	NSW Advocate for Children and Young People
104	Goodstart Early Learning
105	Centre for International Corporate Tax Accountability and Research (CICTAR)
106	National Allergy Council
107	Name suppressed
108	Berry Cottage Childcare & Preschool
108a	Berry Cottage Childcare & Preschool
109	NSW Government
110	Early Learning and Care Council of Australia (ELACCA)
111	Mrs Galia Urquhart
112	Childcare Stress Project
113	Confidential
114	Lake Macquarie City Council
115	Local Government NSW
116	NSW Family Day Care Association
117	The Shepherd Centre
118	Only About Children
119	Community Early Learning Australia
120	Baptist Association of NSW & ACT
121	Affinity Education Group
122	Multicultural Disability Advocacy Association of NSW
123	Confidential
124	Mrs Rebecca Hetherington
125	Name suppressed
126	The Front Project
127	Anti-Discrimination NSW
128	Thrive Group Tasmania Inc.
129	Joint NFP Submission
130	Eurobodalla Shire Council
131	Name suppressed
132	Confidential

No.	Author
133	Name suppressed
134	Confidential
135	Name suppressed
136	Divergent Education
137	Dr J Rob Bray PSM and Professor Matthew Gray
138	Name suppressed
139	Dr Erin Harper and Professor Rachel Wilson
140	National Nutrition Network - Early Childhood Education and Care
141	Federation of Parents and Citizens Associations of New South Wales
142	Integricare Limited
143	Australian Institute of Early Childhood
144	Australian Childcare Alliance NSW
145	NSW Anaphylaxis Education Program
146	Body Safety Australia
147	Confidential
148	Early Childhood Australia NSW
149	Name suppressed
150	Catholic Schools NSW
151	Professor Emerita Gabrielle Meagher and Professor Marianne Fenech
152	Playgroup NSW
153	Justin K and Lisa Rickard
154	Name suppressed
155	Rebecca McDermott
156	Australian Education Union NSW Teachers Federation
157	NSW Office of the Children's Guardian
158	Name suppressed
159	Name suppressed
160	Johanna Johnson
161	Family Advocacy
162	Ms Gina Taylor
163	Mrs Rhianna Williams
164	Mr Phillip Talarico
165	Name suppressed
166	United Services Union
167	Employee Ownership Australia

No.	Author
168	Name suppressed

Appendix 5 Witnesses at hearings

Date	Name	Position and Organisation
Wednesday 13 August 2025 Macquarie Room Parliament House, Sydney	Mr Murat Dizdar	Secretary, Department of Education
	Mr Mark Barraket	Deputy Secretary, Early Childhood Outcomes, Department of Education
	Professor Emerita Gabrielle Meagher	Macquarie University and Work and Family Policy Roundtable
	Professor Marianne Fenech Honorary Associate Professor Linda Newman	The University of Sydney School of Education, The University of Newcastle
	Ms Lisa Bryant	Education and care consultant and advocate
	Ms Cheyanne Carter	Chief Executive Officer & Founder of Divergent Education
	Ms Georgie Dent	Chief Executive Officer, The Parenthood
	Mrs Penny Dakin	Executive Director, Communities at Minderoo Foundation, Thrive by Five
	Dr Amy Graham	Senior Adviser, Valuing the Early Years at Minderoo Foundation, Thrive by Five
	Mr Stephen James Gallen	Board member - Social Justice in Early Childhood Foundation
	Ms Nina Isho	Member, Social Justice in Early Childhood Foundation
	Ms Bronwyn Lee	Researcher, Centre for International Corporate Tax Accountability and Research
	Ms Natalie Dabarera	Research Coordinator, United Workers Union
	Ms Clare Fairhall	Educator member, United Workers Union
Ms Christine Scott	Educator member, United Workers Union	
Ms Carol Matthews	Secretary, Independent Education Union of Australia (NSW/ACT Branch)	

Date	Name	Position and Organisation
	Ms Lisa James	ECEC Organiser, Independent Education Union of Australia
	Ms Janene Rox	Independent Education Union Member and Director at Cronulla Preschool Kindergarten
	Mr Troy Wright	Assistant General Secretary, Public Service Association of NSW
	Ms Siobhan Callinan	Industrial Manager, Education, Public Service Association of NSW
	Ms Kim Allen	PSA Delegate, Public Service Association of NSW
Thursday 14 August 2025 Macquarie Room Parliament House, Sydney	Detective Superintendent Linda Howlett	Commander, Child Abuse Squad, State Crime Command, NSW Police Force
	Ms Rachael Ward	Acting Children's Guardian, Office of the Children's Guardian
	Ms Deanne Carson	Chief Executive Officer, Body Safety Australia
	Dr Roxana Diamond	Advocacy and Communications Officer, Body Safety Australia
	Ms Leesa Waters	Chief Executive Officer, NAPCAN
	Mr Greg Antcliff	Chief Operating Officer, NAPCAN
	Alison Geale	Chief Executive Officer, Bravehearts
	Katie Armstrong	Bravehearts
	Ms Karen Kearns	Chief Executive Officer and Director of Studies, International Child Care College
	Mr Tim Bullard	Chief Executive Officer, Australian Institute for Teaching and School Leadership Limited (AITSL)

Date	Name	Position and Organisation
	Dr Sally Larsen	Head, Department of Early Childhood Education School of Education, University of New England
	Professor Caroline Cohrssen	Deputy Head, School of Education, University of New England
	Professor Sandie Wong	Professor of Early Childhood Education, and Deputy Director of the Macquarie University Early Childhood Education Research Centre
	Professor Cathrine Neilsen-Hewett	Academic Program Director – Bachelor of Education – The Early Years, University of Wollongong
	Ms Gabrielle Louise Sinclair	Chief Executive Officer, Australian Children's Education and Care Quality Authority (ACECQA)
	Mr Craig John Bennett	General Manager, Policy & Regulatory Systems, Australian Children's Education and Care Quality Authority (ACECQA)
Tuesday 23 September 2025 Macquarie Room Parliament House, Sydney	Mr Tim Hickey	Chief Executive Officer, Affinity Education Group
	Mr Glen Hurley	Senior Advisor – Quality & Safety, Affinity Education Group
	Mr Pejman Okhovat	Chief Executive Officer, G8 Education
	Ms Josie King	Chief Legal and Risk Officer, G8 Education
	Ms Anna Learmonth	Chief Executive Officer, Only About Children
	Ms Ros Marshall OBE	Managing Director, International – Bright Horizons
	Mr Christopher Charles Wheeler PSM	Consultant

Date	Name	Position and Organisation
	Ms Angela Marakovic	Head Of Operations, Little Zak's Academy
	Ms Tracey Jones	Head of Compliance, Little Zak's Academy
	Mr Richard Bell	Chief Executive Officer – Persons with Management or Control, Little Zak's Academy
	Ms Kerin McMahon	Chief Operations Officer, Busy Bees
	Ms Leanne Cain	Chief Pedagogy and Safeguarding Officer, Busy Bees
	Ms Pam White PSM	Co-lead of Victoria's Rapid Child Safety Review
Tuesday 28 October 2025 Macquarie Room Sydney, Parliament House	Dr Caroline Croser-Barlow	Chief Executive Officer, The Front Project
	Ms Martel Menz	Strategic Policy Manager, The Front Project
	Ms Kim Bertino	Chief Executive Officer, Big Fat Smile
	Mrs Nicole Jones	Chief Executive Officer, Gowrie NSW
	Ms Kay Turner	Chief Executive Officer, SDN Children's Services
	Dr Ros Baxter	Chief Executive Officer, Goodstart Early Learning
	Ms Christine Legg	Chief Executive Officer, KU Children's Services
	Ms Michele Carnegie	Chief Executive Officer, Community Early Learning Australia
	Ms Laura Stevens	Director of Policy and Strategy, Community Early Learning Australia
	Dr Erin Harper	Lecturer in Early Childhood Education, University of Sydney
	Professor Rachel Wilson	Professor of Social Impact, University of Technology Sydney
	Mr Martin Stokie	Commissioner, Productivity Commission

Date	Name	Position and Organisation
	Mr Murat Dizdar	Secretary, NSW Department of Education
	Mr Mark Barraket	Deputy Secretary, Early Childhood Outcomes
	Mr Kristian Holz	Acting Executive Director, Regulatory Reform
	Mr Nicholas Backo	Acting Executive Director, NSW ECEC Regulatory Authority
	Mr Daryl Currie	Acting Executive Director, Reform Implementation, NSW ECEC Regulatory Authority
	Ms Margaret Harrison	Outside School Hours Care Coordinator, Raby OSHC (Campbelltown City Council), United Services Union
	Ms Tanya Barton	Centre Director, Enmore Early Learning Centre (Inner West City Council), United Services Union
	Ms Dimitra Vassios	Early Childhood Teacher, Enmore Early Learning Centre (Inner West City Council), United Services Union
	Ms Cassandra Sumners	Mobile Preschool Supervisor, Singleton Council, United Services Union
	Mr Brendan Eady	Early Childhood Teacher, Sutherland Early Education Centre (Sutherland Shire Council), United Services Union

Appendix 6 Minutes

Minutes no. 26

Thursday 20 March 2025

Portfolio Committee No. 3 – Education

Members' Lounge, Parliament House, Sydney, 6.40 pm

1. Members present

Ms Boyd, *Chair*

Ms Merton

Mr D'Adam

Mrs Mitchell (via teleconference)

Mr Primrose (substituting for Mr Buttigieg)

Ms Suvaal

2. Correspondence

The committee noted the following items of correspondence:

Received

- 18 March 2025 – Correspondence from Hon Sarah Mitchell MLC, Hon Rachel Merton MLC and Ms Abigail Boyd MLC, requesting a meeting of the committee to consider a self-referred inquiry into the New South Wales early childhood education and care sector.

3. Consideration of terms of reference

The committee noted the following proposed self-reference:

1. That the Portfolio Committee 3 – Education inquire into and report on the early childhood education and care (ECEC) sector in New South Wales, including:
 - (a) the safety, health and wellbeing of children in ECEC services
 - (b) the quality of ECEC services and the educational and developmental outcomes for children attending ECEC services
 - (c) the safety, pay and conditions of workers within the ECEC sector
 - (d) the effectiveness of the regulatory framework for the ECEC sector as applied in New South Wales
 - (e) the effectiveness of the NSW ECEC Regulatory Authority
 - (f) the collection, evaluation and publication of reliable data in relation to ECEC services and the level of public knowledge and access to information made available about each ECEC service
 - (g) the availability and affordability of quality training institutions for early childhood education qualifications
 - (h) the composition of the ECEC sector and the impact of government funding on the type and quality of services

(i) the experiences of children with disability, and their parents and carers, in ECEC services, and

(j) any other related matters.

2. That the Committee report by 31 March 2026.

Resolved, on the motion of Ms Merton: That the committee adopt the terms of reference.

4. Conduct of the inquiry into early childhood education and care sector in New South Wales

4.1 Closing date for submissions

Resolved, on the motion of Mr D'Adam: That the closing date for submissions be 30 May 2025.

4.2 Stakeholder list

Resolved, on the motion of Mr D'Adam: That:

- the secretariat circulate to members the Chair's proposed list of stakeholders to be invited to make a submission
- members have two days from when the Chair's proposed list is circulated to make amendments or nominate additional stakeholders
- the committee agree to the stakeholder list by email, unless a meeting of the committee is required to resolve any disagreement.

4.3 Hearing dates

Resolved, on the motion of Mr D'Adam: That:

- the committee hold hearings in August/September/October
- there be two Sydney hearing dates
- there be two non-metropolitan hearing dates (with locations to be determined after the close of submissions)
- hearings potentially include a public forum component, giving people an opportunity to come and share their story
- hearing dates be determined by the Chair after consultation with members regarding their availability.

5. Adjournment

The committee adjourned at 6.50 pm, *sine die*.

Beverly Duffy
Committee Clerk

Minutes no. 29

Wednesday 13 August 2025

Portfolio Committee No. 3 - Education

Macquarie Room, Parliament House, Sydney at 8.53 am

1. Members present

Ms Boyd, *Chair*

Ms Merton, *Deputy Chair*

Mr D'Adam

Ms Mihailuk

Mrs Mitchell

Mr Murphy (substituting in person for Mr Buttigieg for the duration of the inquiry into the early childhood education and care sector in New South Wales)

Ms Suvaal

In the absence of the Chair, the Deputy Chair took the Chair for the purposes of the meeting.

2. Previous minutes

Resolved, on the motion of Mr D'Adam: That draft minutes no. 26 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received

- 25 March 2025 - Email from the Office of the Hon Bob Nanva MLC, Government Whip, advising that the Hon Cameron Murphy MLC will substitute for the Hon Mark Buttigieg MLC for the duration of the inquiry into the early childhood education and care sector in New South Wales
- 3 June 2025 - Correspondence from Mrs Elizabeth Benesh to the committee, providing information relating to a development application for a childcare centre to the Ku-ring-gai Council
- 24 June 2025 - Letter from Ms Nicole Jones, CEO, Gowrie NSW, to committee, providing a summary of recommendations in relation to the inquiry into the early childhood education and care sector in New South Wales
- 21 July 2025 - Email from Ms Georgha Soden, Body Safety Australia, to committee requesting that Body Safety Australia appear as a witness at a hearing for the inquiry into the early childhood education and care sector in New South Wales
- 1 August 2025 - Email from Ms Miriam Veisman-Apter, Assistant Commissioner, Productivity Commission, advising that the Productivity Commission is unavailable to appear at a hearing on 13 August for the inquiry into the early childhood education and care sector in New South Wales
- 5 August 2025 - Email from Mr John Owens to the committee, attaching a letter by a teachers group and requesting that small family run childcare centres give evidence at the inquiry into the early childhood education and care sector in New South Wales
- 6 August 2025 - Email from Ms Bridget Isichei, Director - Byron Bay and Northern Rivers Preschools, to committee, requesting that Byron Bay and Northern Rivers Preschools appear at a hearing for the inquiry into the early childhood education and care sector in New South Wales.

4. Inquiry into the early childhood education and care sector in New South Wales

4.1 Translation of committee documents

Resolved, on the motion of Ms Mihailuk: That the committee:

- develop a one-page guide explaining how to make a submission via email (developed by the secretariat)
- translate the terms of reference and one page guide into Arabic, Mandarin, Vietnamese, Cantonese, Hindi, Filipino, Punjabi and Urdu and publish these on the inquiry website.

4.2 Extension of submission deadline

The committee noted that it agreed via email on 9 May 2025 to extend the submission deadline to Sunday 15 June 2025.

4.3 Public submissions

The committee noted that the following submissions were published by the committee clerk under the authorisation of the resolution appointing the committee: submission nos. 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 45, 50, 51, 52, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 82, 83, 84, 85, 86, 87, 88, 90a, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 108, 108a, 109, 110, 111, 112, 114, 115, 116, 117, 118, 119, 120, 121, 122, 124, 126, 127, 129, 130, 136, 137, 139, 140, 141, 142, 143, 144, 145, 146, 148, 150, 151, 152 and 153.

The Chair joined the meeting.

4.4 Partially confidential submissions

Resolved, on the motion of Mr D'Adam: That the committee keep the following information confidential, as per the request of the author: names and/or identifying and sensitive information in submissions nos. 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 33, 34, 35, 36, 46, 53, 54, 75, 77, 78, 79, 89, 92, 93, 107, 133, 138 and 147.

Resolved, on the motion of Mr D'Adam: That the committee authorise the publication of:

- submissions nos. 47 and 91 with the exception of identifying and/or sensitive information which is to remain confidential as per the recommendation of the secretariat.
- submission nos. 44, 59, 76, 90, 94, 125, 135 and 149 with the exception of potential adverse mention which is to remain confidential as per the recommendation of the secretariat.
- submission no. 37, with the exception of identifying and/or sensitive information and potential adverse mention which is to remain confidential as per the recommendation of the secretariat.
- submission no. 131, with the exception of sensitive information which is to remain confidential, as per the request of the author.
- submission no. 38, with the exception of:
 - identifying information which is to remain confidential as per the recommendation of the secretariat
 - sensitive information which is to remain confidential, as per the request of the author.

4.5 Confidential submissions

Resolved, on the motion of Ms Mihailuk: That the committee keep submission nos. 39, 40, 41, 42, 43, 55, 56, 57, 58, 80, 113, 123, 132 and 134 confidential, as per the request of the author.

4.6 Public hearing

Sequence of questions

Resolved, on the motion of Mrs Mitchell: That the allocation of questions to be asked at the hearing be left in the hands of the Chair.

Witnesses, the public and the media were admitted.

The Chair made an opening statement regarding parliamentary privilege and other matters.

The following witnesses were sworn and examined:

- Mr Murat Dizdar, Secretary, Department of Education
- Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes, Department of Education.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Professor Emerita Gabrielle Meagher, Macquarie University and Work and Family Policy Roundtable
- Professor Marianne Fenech, The University of Sydney
- Honorary Associate Professor Linda Newman, School of Education, The University of Newcastle.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Ms Lisa Bryant, Education and care consultant and advocate
- Ms Cheyanne Carter, CEO & Founder of Divergent Education.

Ms Bryant tendered the following documents:

- Child Safety: reporting and responding schemes – Key information, links and contacts tool – ACECQA 2025
- Responding to incidents, disclosures and suspicions of child abuse – NSW Department of Education.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Ms Georgie Dent, Chief Executive Officer, The Parenthood
- Mrs Penny Dakin, Executive Director, Communities at Minderoo Foundation, Thrive By Five
- Dr Amy Graham Senior Adviser, Valuing the Early Years at Minderoo Foundation, Thrive by Five, via videoconference
- Mr Stephen James Gallen, Board member - Social Justice in Early Childhood Foundation
- Ms Nina Isho, Member, Social Justice in Early Childhood Foundation.

The evidence concluded and the witnesses withdrew.

Mr Murphy returned to the meeting via videoconference.

Ms Suvaal returned to the meeting via videoconference.

The following witness was sworn and examined:

- Ms Bronwyn Lee, Researcher, Centre for International Corporate Tax Accountability and Research.

Ms Boyd tabled the following documents:

- Full Year 2025 Results Presentation – Arena REIT – 13 August 2025
- Charter Hall Social Infrastructure REIT 2025 Full Year Results
- CBRE: Childcare 2025 Childcare Report Edition #7.

The evidence concluded and the witness withdrew.

The following witnesses were sworn and examined:

- Ms Natalie Dabarera, Research Coordinator, United Workers Union
- Ms Clare Fairhall, Educator member, United Workers Union
- Ms Christine Scott, Educator member, United Workers Union
- Carol Matthews, Secretary, Independent Education Union of Australia (NSW/ACT Branch)
- Lisa James, ECEC Organiser, Independent Education Union of Australia

- Janene Rox, Independent Education Union Member and Director at Cronulla Preschool Kindergarten
- Troy Wright, Assistant General Secretary, Public Service Association of NSW
- Siobhan Callinan, Industrial Manager, Education, Public Service Association of NSW
- Ms Kim Allen, PSA Delegate, Public Service Association of NSW.

The evidence concluded and the witnesses withdrew.

The committee noted that Mr Chris Wheeler PSM, Chris Wheeler Consulting, was intended to be a witness at the hearing, however due to connectivity issues could not appear. The committee noted that it will invite Mr Wheeler to a future hearing.

The public hearing concluded at 4.38 pm. The public and the media withdrew.

After hearing - tendered documents

Resolved, on the motion of Mrs Mitchell: That the committee accept and publish the following documents tendered during the public hearing:

- Child Safety: reporting and responding schemes – Key information, links and contacts tool – ACECQA 2025, tendered by Ms Lisa Bryant, Education and care consultant and advocate
- Responding to incidents, disclosures and suspicions of child abuse – NSW Department of Education, tendered by Ms Lisa Bryant, Education and care consultant and advocate
- Full Year 2025 Results Presentation – Arena REIT – 13 August 2025, tabled by Ms Abigail Boyd MLC.
- Charter Hall Social Infrastructure REIT 2025 Full Year Results, tabled by Ms Abigail Boyd MLC
- CBRE: Childcare 2025 Childcare Report Edition #7, tabled by Ms Abigail Boyd MLC.

5. Adjournment

The committee adjourned at 4.39 pm, until Thursday 14 August 2025, 9.45 am, Macquarie Room, Parliament House (public hearing – Early Childhood Education and Care Sector inquiry).

Kara McKee
Committee Clerk

Minutes no. 30

Thursday 14 August 2025

Portfolio Committee No. 3 – Education

Macquarie Room, Parliament House, Sydney at 9.57 am

1. Members present

Ms Boyd, *Chair*

Ms Merton, *Deputy Chair*

Mr D'Adam (via videoconference)

Ms Mihailuk

Mrs Mitchell

Mr Murphy (via videoconference)

Ms Suvaal

2. Inquiry into the early childhood education and care sector in New South Wales

2.1 Public hearing

Sequence of questions

Resolved, on the motion of Ms Merton: That the allocation of questions to be asked at the hearing be left in the hands of the Chair.

Witnesses, the public and the media were admitted.

The Chair made an opening statement regarding parliamentary privilege and other matters.

Mr Murphy returned to the meeting via videoconference.

The following witness was sworn and examined:

- Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police Force.

Ms Abigail Boyd MLC tabled the following document:

- NSW Government: Responding to incidents, disclosures and suspicions of child abuse.

The evidence concluded and the witness withdrew.

The following witness was sworn and examined:

- Ms Rachael Ward, Acting Children's Guardian.

Ms Abigail Boyd MLC tabled the following document:

- NSW Government Department of Education – Caution Letter Ref: CAS- 00274353.

The evidence concluded and the witness withdrew.

The following witnesses were sworn and examined:

- Ms Deanne Carson, CEO, Body Safe Australia
- Dr Roxana Diamond, Advocacy and Communications Officer, Body Safe Australia
- Ms Leesa Waters, Chief Executive Officer, NAPCAN
- Mr Greg Antcliff, Chief Operating Officer, NAPCAN
- Alison Geale, CEO, Bravehearts
- Katie Armstrong, Bravehearts.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Ms Karen Kearns, CEO and Director of Studies, International Child Care College, International Child Care College
- Mr Tim Bullard, Chief Executive Officer, Australian Institute for Teaching and School Leadership Limited (AITSL).

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Dr Sally Larsen, Head, Department of Early Childhood Education School of Education, University of New England
- Professor Caroline Cohrssen, Deputy Head, School of Education, University of New England
- Professor Sandie Wong, Professor of Early Childhood Education, and Deputy Director of the Macquarie University Early Childhood Education Research Centre

- Professor Cathrine Neilsen-Hewett, Academic Program Director – Bachelor of Education – The Early Years, University of Wollongong.

The evidence concluded and the witnesses withdrew.

Ms Suvaal returned to the meeting via videoconference.

The following witnesses were sworn and examined:

- Ms Gabrielle Louise Sinclair, CEO, Australian Children's Education and Care Quality Authority (ACECQA)
- Mr Craig John Bennett, General Manager, Policy & Regulatory Systems, Australian Children's Education and Care Quality Authority (ACECQA).

Ms Sinclair tendered the following document:

- Australian Children's Education and Care Quality Authority – Serious incidents – injury, trauma or illness – occasional paper 9, June 2023.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 4.05 pm. The public and the media withdrew.

After the hearing – tendered documents

Resolved, on the motion of Ms Mihailuk: That the committee accept and publish the following documents tendered during the public hearing:

- Australian Children's Education and Care Quality Authority – Serious incidents – injury, trauma or illness – occasional paper 9, June 2023, tendered by Ms Gabrielle Louise Sinclair, CEO, Australian Children's Education and Care Quality Authority (ACECQA)
- NSW Government Department of Education – Caution Letter Ref: CAS- 00274353, tabled by Ms Abigail Boyd MLC.

That the committee accept and not publish the following document tendered during the public hearing:

- NSW Government: Responding to incidents, disclosures and suspicions of child abuse, tabled by Ms Abigail Boyd MLC.

3. Adjournment

The committee adjourned at 4.06 pm, until Wednesday 27 August 2025, 9.00 am, Macquarie Room, Parliament House (Budget Estimates – Education and Early Learning, Western Sydney – public hearing).

Kara McKee
Committee Clerk

Minutes no. 34

Tuesday 23 September 2025
Portfolio Committee No. 3 – Education
Macquarie Room, Parliament House, Sydney at 8.46 am

1. Members present

Ms Boyd, *Chair*
Ms Merton, *Deputy Chair*
Mr D'Adam

Ms Mihailuk (via teleconference)
Mrs Mitchell (via videoconference)
Mr Murphy
Ms Suvaal (via teleconference)

2. Previous minutes

Resolved, on the motion of Mr D'Adam: That draft minutes nos. 29 and 30 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received

- 11 August 2025 - Email from Mr Justin K. Rickard, Justin Rickard & Associates to the secretariat, requesting he and his wife, Lisa Rickard, appear at a hearing for the inquiry into the early childhood education and care sector in NSW inquiry
- 12 August 2025 - Email from Office of Philip Donato MP, Member for Orange to the committee, attaching a letter from Mr Donato to the Acting Minister for Education and Early Learning, outlining proposals for reform for Australia's education system from a constituent
- 12 August 2025 - Email from Ms Sarah Wight, Early Childhood Australia to the secretariat, requesting Early Childhood Australia appear at a hearing for the inquiry into the early childhood education and care sector in NSW inquiry
- 12 August 2025 - Email from Ms Nina Isho, Social Justice in Early Childhood to the secretariat, requesting that two child witnesses appear at the hearing for the inquiry into the early childhood education and care sector in NSW inquiry
- 14 August 2025 - Email from Ms Bridget Isichei, Byron Bay and Northern Rivers Preschool Alliance to the secretariat, requesting to appear at a hearing for the inquiry into the early childhood education and care sector in NSW inquiry
- 14 August 2025 - Email from Dr Gai Lindsay, University of Wollongong to the secretariat, advising they can no longer attend the hearing on 14 August for the inquiry into the early childhood education and care sector in NSW inquiry
- 14 August 2025 - Email from Ms Victoria Cameron to the committee, commenting on ACECQA in the context of the inquiry into the early childhood education and care sector in NSW inquiry
- 20 August 2025 - Email from Mr John Owens, Berry Cottage, outlining issues with national sharing of child abuse information and attaching material from COAG and an Intergovernmental Agreement on National Exchange of Information, in relation to the inquiry into the early childhood education and care sector in NSW inquiry
- 28 August 2025 - Email from an individual, in relation to the Wheeler review, in the context of the inquiry into the early childhood education and care sector in NSW inquiry
- 2 September 2025 - Email from Ms Erin Peterson to the secretariat, commenting on the role of the regulatory authority in verifying working with children check processes
- 5 September 2025 - Email from Mr John Cherry, Head of Advocacy, Goodstart Early Learning, proposing that the committee meet with Sir Kevan Collins, senior education policy advocate in the UK and board member of Goodstart
- 5 September 2025 - Email from Mr Max Chappell, ACCC, requesting the committee reconsider the invitation to ACCC to appear at a hearing for the inquiry into the early childhood education and care sector in NSW inquiry
- 9 September 2025 - Email from Mr Craig Bennett, General Manager, Policy & Regulatory Systems, ACECQA to the secretariat, clarifying evidence of Ms Gabrielle Sinclair, CEO

ACECQA provided at the Early Childhood Education and Care Sector in NSW inquiry hearing on 14 August 2025

- 15 September 2025 - Email from Ms Kate Gilvear, Goodstart Early Learning to the secretariat, noting that some witnesses from the Joint NFP submission, Goodstart Early Learning and KU Children's Services panel are unable to attend the hearing on 23 September, requesting to appear as a panel at a later hearing for the inquiry into the early childhood education and care sector in NSW inquiry.

Resolved on the motion of Mr D'Adam: That the committee:

- authorise the publication of correspondence from an individual, regarding the Wheeler review, dated 28 August 2025, with the exception of identifying and/or sensitive information, which is to remain confidential as per the recommendation of the secretariat
- publish the correspondence dated 9 September 2025 from Mr Craig Bennett, General Manager, Policy & Regulatory Systems, ACECQA, providing a clarification to the evidence of Ms Gabrielle Sinclair, CEO, ACECQA, at the Early Childhood Education and Care Sector in NSW inquiry hearing on 14 August 2025
- insert a footnote at the relevant point in the transcript of 14 August 2025 noting that correspondence clarifying the evidence had been received and providing a hyperlink to the published correspondence.

4. Inquiry into the early childhood education and care sector in New South Wales

4.1 Private briefing with Sir Kevan Collins

The committee noted that it conducted a private briefing with Sir Kevan Collins in relation to the inquiry on 17 September 2025.

4.2 Tabled document from hearing on 14 August 2025

The committee noted that it agreed via email on 20 August 2025 to accept and publish the following tabled document from ACECQA:

- ACECQA Quality area 2 - Managing and responding to injury, trauma and illness incidents, March 2025.

4.3 Witness list

The committee noted that it agreed via email on 11 September 2025 to rescind the invitation to the ACCC to appear at today's hearing.

4.4 Location of hearing

The committee noted that it agreed via email on 4 September 2025 to conduct three hearings in Sydney.

4.5 Public submissions

The committee noted that the following submissions were published by the committee clerk under the authorisation of the resolution appointing the committee: submission nos. 4, 81, 128, 155, 156 and 157.

4.6 Partially confidential submissions

Resolved, on the motion of Mr D'Adam: That the committee keep the following information confidential, as per the request of the author: names and/or identifying and sensitive information in submissions nos. 32, 154, 158 and 159.

Resolved, on the motion of Mr D'Adam: That the committee:

- authorise the publication of submission no. 160, with the exception of identifying and/or sensitive information/potential adverse mention which is to remain confidential as per the recommendation of the secretariat

- authorise the publication of submission no. 48, with the exception of:
 - potential adverse mention which is to remain confidential as per the recommendation of the secretariat
 - identifying and/or sensitive information which is to remain confidential as per the request of the author.

4.7 Confidential submissions

The committee noted that it previously resolved to publish submission 147 with the exception of names and/or identifying information, as per the request of the author. Subsequent to this, the author has requested that their submission be made confidential.

Resolved, on the motion of Mr D'Adam: That the committee keep submission nos. 49 and 147 confidential, as per the request of the author.

4.8 Public hearing

Sequence of questions

Resolved, on the motion of Mr D'Adam: That the allocation of questions to be asked at the hearing be left in the hands of the Chair.

Witnesses, the public and the media were admitted.

The Chair made an opening statement regarding parliamentary privilege and other matters.

The following witnesses were sworn and examined:

- Mr Tim Hickey, Chief Executive Officer, Affinity Education Group
- Mr Glen Hurley, Senior Advisor - Quality & Safety, Affinity Education Group.

Ms Abigail Boyd MLC tabled the following document:

- NSW Education - Compliance notice section 177 CA-00059317 to Affinity Education Group Limited.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Mr Pejman Okhovat, CEO, G8 Education
- Ms Josie King, Chief Legal and Risk Officer, G8 Education.

Ms Abigail Boyd MLC tabled the following document:

- G8 Education - Operations Short-Term Incentive Plan (STIP).

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Ms Anna Learmonth, CEO, Only About Children
- Ms Ros Marshall, OBE, Managing Director, International - Bright Horizons.

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Mr Christopher Charles Wheeler PSM, Consultant.

The evidence concluded and the witness withdrew.

The following witnesses were sworn and examined:

- Ms Angela Marakovic, Head Of Operations, Little Zak's Academy
- Ms Tracey Jones, Head of Compliance, Little Zak's Academy

- Mr Richard Bell, CEO – PMC, Little Zak's Academy.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Ms Kerin McMahon, Chief Operations Officer, Busy Bees, via videoconference
- Ms Leanne Cain, Chief Pedagogy and Safeguarding Officer, Busy Bees, via videoconference.

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Ms Pam White PSM, Co-lead of Victoria's Rapid Child Safety Review, via videoconference.

The evidence concluded and the witness withdrew.

The public hearing concluded at 4.28 pm. The public and the media withdrew.

Tendered documents

Resolved, on the motion of Mr D'Adam: That the committee accept and publish the following document tendered during the public hearing:

- G8 Education – Operations Short-Term Incentive Plan (STIP), tabled by Ms Boyd.

Resolved, on the motion of Mr D'Adam: That the committee accept and publish, with the exception of identifying information which is to remain confidential, the following document tendered during the public hearing:

- NSW Education - Compliance notice section 177 CA-00059317 to Affinity Education Group Limited, tabled by Ms Boyd.

5. Inquiry into Budget Estimates 2025-2026

5.1 Request for extension to provide post hearing responses

Resolved, on the motion of Mr D'Adam: That the committee grant an extension to Thursday 2 October 2025 to UTS to provide answers to questions taken on notice and supplementary questions following the Skills, TAFE and Tertiary Education hearing on Friday 29 August 2025.

6. Inquiry into the Children (Education and Care Services National Law Application) Amendment Bill 2025

6.1 Public hearing details – Friday 26 September 2025

Resolved, on the motion of Mr D'Adam: That the committee:

- adopt the hearing schedule as amended by:
 - including a morning tea break from 10.30 am to 10.45 am
 - reducing the Academics panel to 30 minutes, from 10.45 am to 11.15 am
- during the 12 pm to 1 pm session, have the sequence of questions to be asked to alternate between opposition, crossbench and government members, in that order, with equal time allocated to each (as per the resolution establishing the committee).

7. Adjournment

The committee adjourned at 4.41 pm, until Friday 26 September 2025 (public hearing – Inquiry into the Children (Education and Care Services National Law Application) Amendment Bill 2025).

Kara McKee
Committee Clerk

Minutes no. 37

Tuesday 28 October 2025

Portfolio Committee No. 3 – Education

Macquarie Room, Parliament House, Sydney, 8.45am

1. Members present

Ms Boyd, *Chair*

Ms Merton, *Deputy Chair*

Mr D'Adam

Ms Mihailuk

Mrs Mitchell

Mr Murphy

Ms Suvaal

2. Previous minutes

Resolved, on the motion of Mr Murphy: That draft minutes no. 34 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received

- 15 August 2025 – Email from an individual to the committee, commenting on long day care and preschools in relation to the inquiry into the early childhood education and care sector in NSW
- 16 September 2025 – Email from Ms Shana Gordon, EA and Adviser to Jay Weatherill, advising that he is not available to attend the hearing on 23 September 2025 for the inquiry into the early childhood education and care sector in NSW
- 22 September 2025 – Email from Mr Justin O'Flaherty, General Counsel, Busy Bees, advising that Mr Phil McKenzie is unable to attend the hearing on 23 September 2025 for the inquiry into the early childhood education and care sector in NSW
- 25 September 2025 – File note of phone call from an individual to the committee, arguing that CCTV cameras should be in childcare and aged care centres, in relation to the inquiry into the early childhood education and care sector in NSW
- 25 September 2025 – Email from Mr Bola Oyetunji, Auditor-General for New South Wales, attaching a report on 'Alternative school settings and home schooling', and offering to speak with the committee about the findings
- 30 September 2025 – Email from Ms Rachel Wallbridge, Manager, Government Relations and Engagement, the Front Project to the secretariat, requesting that the Front Project appear as a witness at a hearing for the inquiry into the early childhood education and care sector in NSW
- 8 October 2025 – Email from Ms Pam White PSM, Co-lead of Victoria's Rapid Child Safety Review, clarifying her evidence provided at the hearing for the inquiry into the early childhood education and care sector in NSW on 23 September 2025
- 14 October 2025 – Email from Mr John Owens, Director, Berry Cottage Childcare & Preschool to the committee, commenting on the assessment and rating regime in relation to the inquiry into the early childhood education and care sector in NSW.

Resolved, on the motion of Mr D'Adam: That the committee:

- publish the correspondence dated 23 September 2025 from Ms Pam White PSM, Co-lead of Victoria's Rapid Child Safety Review providing a clarification to her evidence, at the Early Childhood Education and Care Sector in NSW inquiry hearing on 23 September 2025
- insert a footnote at the relevant point in the transcript of 23 September 2025 noting that correspondence clarifying the evidence had been received and providing a hyperlink to the published correspondence
- keep the name of the author of correspondence from 15 August 2025, in relation to long day care and preschools, confidential, as per the request of the author.

4. Briefing with the Auditor-General in relation to the 'Alternative school settings and home schooling' report

The committee noted that Ms Boyd and Mrs Mitchell attended a private briefing on Thursday 23 October 2025 with Mr Bola Oyetunji (Auditor-General), Ms Susie Harwood and Ms Sarah Low from the Audit Office of New South Wales in relation to the Auditor-General's report 'Alternative school settings and home schooling'.

5. Inquiry into the early childhood education and care sector in New South Wales

5.1 Location of hearings

The committee noted that it agreed via email on 10 October 2025 to conduct four hearings in Sydney.

5.2 Witness appearances - 28 October 2025 hearing

The committee noted that it agreed via email on 22 October 2025 to politely request that the following witnesses not attend the 'Early Childhood Education and Care Regulatory Authority session' from 3 to 4.30 pm at the 28 October 2025 hearing:

- Mr Murat Dizdar, Secretary, NSW Department of Education
- Mr Kristian Holz, Acting Executive Director, Regulatory Reform.

The committee further noted that Mr D'Adam, Mr Murphy and Ms Suvaal objected to this decision.

5.3 Public submissions

The committee noted that the following submissions were published by the committee clerk under the authorisation of the resolution appointing the committee: submission nos. 161, 162 and 166.

5.4 Partially confidential submissions

Resolved, on the motion of Mr D'Adam: That the committee keep the following information confidential, as per the request of the author: names and/or identifying and sensitive information in submission no. 32a.

Resolved on the motion of Mr D'Adam: That the committee authorise the publication of submission nos. 163, 164 and 165, with the exception of identifying and/or sensitive information, and/or potential adverse mention which is to remain confidential, as per the recommendation of the secretariat.

5.5 Answers to questions on notice and supplementary questions

The committee noted the following answers to questions on notice, supplementary questions and additional information were published by the committee clerk under the authorisation of the resolution appointing the committee:

- answers to questions on notice from Professor Sandie Wong, Professor of Early Childhood Education, and Deputy Director of the Macquarie University Early Childhood Education Research Centre, received 4 September 2025
- answers to questions on notice from Honorary Associate Professor Linda Newman, School of Education, the University of Newcastle, received 9 September 2025
- answers to questions on notice from Ms Gabrielle Louise Sinclair, CEO, ACECQA and Mr Craig John Bennett, General Manager, Policy & Regulatory Systems, ACECQA, received 9 September 2025
- answers to questions on notice and additional information from Ms Natalie Dabarera, Research Coordinator, United Workers Union, Ms Clare Fairhall, Educator member, United Workers Union and Ms Christine Scott, Educator member, United Workers Union received 12 September 2025 and 10 October 2025
- answers to questions on notice and supplementary questions from Mr Murat Dizdar, Secretary, Department of Education and Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes, Department of Education, received 16 September 2025
- answers to questions on notice and supplementary questions from Ms Rachael Ward, Acting Children's Guardian, received 17 and 18 September 2025
- answers to questions on notice from Ms Deanne Caron, CEO, Body Safe Australia and Dr Roxana Diamond, Advocacy and Communications Officer, Body Safe Australia received 19 September 2025
- answers to questions on notice and supplementary questions from Detective Superintendent Linda Howlett, Commander, Child Abuse Squad, State Crime Command, NSW Police received 23 September 2025
- answers to questions on notice from Ms Lisa James, ECEC Organiser, Independent Education Union received 24 September 2025
- answers to questions on notice from Ms Cheyanne Carter, CEO & Founder, Divergent Education received 7 October 2024.

5.6 Public hearing

Sequence of questions

Resolved, on the motion of Mr D'Adam: That the allocation of questions to be asked at the hearing be left in the hands of the Chair.

Witnesses, the public and the media were admitted.

The Chair made an opening statement regarding parliamentary privilege and other matters.

The following witnesses were sworn and examined:

- Dr Caroline Croser-Barlow, CEO, The Front Project via videoconference
- Ms Martel Menz, Strategic Policy Manager, The Front Project via videoconference.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Ms Kim Bertino, Chief Executive Officer, Big Fat Smile
- Mrs Nicole Jones, Chief Executive Officer, Gowrie NSW
- Ms Kay Turner, Chief Executive Officer, SDN Children's Services
- Dr Ros Baxter, Chief Executive Officer, Goodstart Early Learning
- Ms Christine Legg, Chief Executive Officer, KU Children's Services.

Dr Ros Baxter tendered the following document:

- Joint Statement from Not-for-Profit Early Childhood Education and Care Providers in Response to ABC Four Corners.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Ms Michele Carnegie, Chief Executive Officer, Community Early Learning Australia
- Ms Laura Stevens, Director of Policy and Strategy, Community Early Learning Australia.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Dr Erin Harper, Lecturer in Early Childhood Education, University of Sydney
- Professor Rachel Wilson, Professor of Social Impact, University of Technology Sydney.

Professor Rachel Wilson tendered the following documents and requested that they be kept confidential:

- Understanding Work in Early Childhood Education and Care: An International Mixed Method Systematic Review by Dr Erin Harper & Professor Rachel Wilson
- Digitalisation of work: Key challenges in early childhood services by Erin Harper, Rachel Wilson, Susan McGrath-Champ & Scott Fitzgerald
- Survey of education perspectives on Assessment and Rating (A&R) practices by Dr Erin Harper and Professor Rachel Wilson
- Survey of educator perspectives on frustration at work by Dr Erin Harper and Professor Rachel Wilson.

Professor Rachel Wilson tendered the following documents:

- Perspectives on Teachers' Work in Australian Early Childhood Education and Care Settings: Evidence and Ecology - Erin Harper, Susan McGrath-Champ, Rachel Wilson - published 19 May 2025
- Workload demands, unpaid hours, and concerns about time with children: a survey of Australian early childhood educators - Erin Harper, Rachel Wilson, Susan McGrath-Champ - published 19 May 2025.

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Mr Martin Stokie, Commissioner, Productivity Commission via videoconference.

The evidence concluded and the witness withdrew.

The following witnesses were examined on their former oath:

- Mr Murat Dizdar, Secretary, NSW Department of Education
- Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes.

The following witness was sworn and examined:

- Mr Kristian Holz, Acting Executive Director, Regulatory Reform.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Mr Nicholas Backo, Acting Executive Director, NSW ECEC Regulatory Authority
- Mr Daryl Currie, Acting Executive Director, Reform Implementation, NSW ECEC Regulatory Authority.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Ms Margaret Harrison, Outside School Hours Care Coordinator, Raby OSHC (Campbelltown City Council), United Services Union
- Ms Tanya Barton, Centre Director, Enmore Early Learning Centre (Inner West City Council), United Services Union
- Ms Dimitra Vassios, Early Childhood Teacher, Enmore Early Learning Centre (Inner West City Council), United Services Union
- Ms Cassandra Sumners, Mobile Preschool Supervisor, Singleton Council, United Services Union
- Mr Brendan Eady, Early Childhood Teacher, Sutherland Early Education Centre (Sutherland Shire Council), United Services Union.

Ms Dimitria Vassios tendered the following documents:

- Letter from Ms Tanya Barton, Recognising Early Childhood Education and Care as a Core Function of Local Government – 27 October 2025
- Evidence on Educator-to-Child Ratios in Early Childhood Education and Care, provided by Ms Tanya Barton, Early Childhood Educator and Centre Director, Inner West Council, United Services Union Delegate
- Policy briefing notes and recommendations bundle, written by Ms Margaret Harrison, Ms Dimitra Vassios, Ms Cassandra Sumners, Ms Tanya Barton and Mr Brendan Eady
- Letter and briefing note from Ms Dimitra Vassios.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 5.02 pm. The public and the media withdrew.

Tendered documents

Resolved, on the motion of Mr D'Adam: That the committee accept and defer consideration of publication status, pending advice from the secretariat on proposed redactions, the following documents tendered at the public hearing:

- Joint Statement from Not-for-Profit Early Childhood Education and Care Providers in Response to ABC Four Corners, tendered by Dr Baxter
- Understanding Work in Early Childhood Education and Care: An International Mixed Method Systematic Review by Dr Erin Harper & Professor Rachel Wilson, tendered by Professor Rachel Wilson
- Digitalisation of work: Key challenges in early childhood services by Erin Harper, Rachel Wilson, Susan McGrath-Champ & Scott Fitzgerald, tendered by Professor Rachel Wilson
- Survey of education perspectives on Assessment and Rating (A&R) practices by Dr Erin Harper and Professor Rachel Wilson, tendered by Professor Rachel Wilson
- Survey of educator perspectives on frustration at work by Dr Erin Harper and Professor Rachel Wilson, tendered by Professor Rachel Wilson
- Perspectives on Teachers' Work in Australian Early Childhood Education and Care Settings: Evidence and Ecology – Erin Harper, Susan McGrath-Champ, Rachel Wilson – published 19 May 2025
- Workload demands, unpaid hours, and concerns about time with children: a survey of Australian early childhood educators – Erin Harper, Rachel Wilson, Susan McGrath-Champ – published 19 May 2025.
- Letter from Ms Tanya Barton, Recognising Early Childhood Education and Care as a Core Function of Local Government – 27 October 2025, tendered by Ms Dimitra Vassios

- Evidence on Educator-to-Child Ratios in Early Childhood Education and Care, provided by Ms Tanya Barton, Early Childhood Educator and Centre Director, Inner West Council, United Services Union Delegate, tendered by Ms Dimitra Vassios
- Policy briefing notes and recommendations bundle, written by Ms Margaret Harrison, Ms Dimitra Vassios, Ms Cassandra Sumners, Ms Tanya Barton and Mr Brendan Eady, tendered by Ms Dimitra Vassios
- Letter and briefing note from Ms Dimitra Vassios, tendered by Ms Dimitra Vassios.

6. Adjournment

The committee adjourned at 5.07 pm, until Friday 21 November 2025 (ECEC – committee activity TBC).

Kara McKee

Committee Clerk

Draft minutes no. 40

Monday 11 May 2026

Portfolio Committee No. 3 – Education

Room 1043, Parliament House, Sydney, 10.19 am

1. Members present

Ms Boyd, *Chair* (via videoconference)

Ms Merton, *Deputy Chair*

Mr D'Adam

Ms Mihailuk (via videoconference)

Mr Murphy (via videoconference)

Ms Suvaal (via videoconference)

Mrs Ward (via videoconference)

2. Previous minutes

Resolved, on the motion of Mr D'Adam: That draft minutes no. 37 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received

- 21 March 2025 – Email from Mr Richard Clifford, outlining the experience of his grandchild at an early childhood centre in Queensland
- 31 October 2025 – Email from Ms Kate Gilvear, Head of State and Territory Social Policy to the secretariat, offering to assist with understanding of the landscape of the early childhood sector, in relation to the inquiry into the early childhood education and care sector in NSW
- 10 November 2025 – Email from Ms Martel Menz, Strategic Policy Manager, the Front project, providing a clarification to the evidence of Dr Caroline Croser-Barlow, CEO, the Front Project, following her appearance at the hearing for the inquiry into the early childhood education and care sector in NSW
- 18 November 2025 – Email from Ms Lisa Jones, Executive Director Transformation & Risk, Only About Children, requesting that a document provided as part of answers to questions on notice following their appearance at a hearing the inquiry into the early

childhood education and care sector in NSW, be kept confidential as it contains commercially sensitive information

- 2 December 2025 - Email from Ms Kim Bertino, Chief Executive Officer, Big Fat Smile, requesting answers to supplementary questions be kept confidential due to the sensitivity of the information provided, following their appearance at a hearing the inquiry into the early childhood education and care sector in NSW
- 2 December 2025 - Email from Ms Christine Legg, Chief Executive Officer, KU Children's Services, requesting certain documents provided in answers to questions on notice and supplementary questions be kept confidential as they are internal documents and commercial in confidence, following their appearance at a hearing the inquiry into the early childhood education and care sector in NSW
- 4 December 2025 - Email from Mr Martin Stokie, Commissioner, Productivity Commissioner, providing a clarification to his evidence following his appearance at the hearing for the inquiry into the early childhood education and care sector in NSW
- 9 December 2025 - Email from Ms Kate Gilvear, Head of State and Territory Social Policy, Goodstart Early Learning, requesting that answers to supplementary questions be kept confidential
- 11 December 2025 - Email from Mrs Nicole Jones, Chief Executive Officer, Gowrie NSW, requesting that some portions of answers to questions on notice and supplementary questions be kept confidential, following their appearance at a hearing the inquiry into the early childhood education and care sector in NSW
- 11 December 2025 - Email from Elda Ribeiro, EA to the CEO, Gowrie NSW, requesting the organisational chart provided as part of answers to questions taken on notice and supplementary questions be kept confidential
- 17 December 2025 - Email from Mr Chris Wheeler PSM, Consultant, providing a clarification to his evidence following his appearance at the hearing for the inquiry into the early childhood education and care sector in NSW
- 22 February 2026 - Email from Ms Tiana Lafaele, individual, to the secretariat, requesting that that a 'four eyes' policy be mandated in relation to the inquiry into the early childhood education and care sector in NSW
- 11 March 2026 - Email from an individual to the committee, commenting on mandatory child protection courses in relation to the inquiry into the early childhood education and care sector in NSW.

Transcript clarification requests

The committee noted that is agreed via email on Wednesday 12 November 2025 to:

- publish the correspondence dated 10 November 2025 from Ms Martel Menz, Strategic Policy Manager, the Front project, providing a clarification to the evidence of Dr Caroline Croser-Barlow, CEO, the Front Project, at the early childhood education and care sector in NSW hearing on 28 October 2025
- insert a footnote at the relevant point in the transcript of 28 October 2025 noting the correspondence clarifying the evidence had been received and providing a hyperlink to the published correspondence.

The committee noted that it agreed via email on Thursday 11 December 2025 to:

- publish the correspondence dated 4 December 2025 from Mr Martin Stokie, Commissioner, Productivity Commission, providing a clarification to his evidence at the early childhood education and care sector in NSW hearing on 28 October 2025
- insert a footnote at the relevant point in the transcript of 28 October 2025 noting the correspondence clarifying the evidence had been received and providing a hyperlink to the published correspondence.

The committee noted that it agreed via email on 22 December 2025 to:

- publish the correspondence dated 17 December 2025 from Mr Chris Wheeler PSM, Consultant, providing a clarification to his evidence at the early childhood education and care sector in NSW hearing on 23 September 2025
- insert a footnote at the relevant point in the transcript of 23 September 2025 noting the correspondence clarifying the evidence had been received and providing a hyperlink to the published correspondence.

4. Inquiry into the early childhood education and care sector in New South Wales

4.1 Tended documents from hearing on 28 October 2025

The committee noted that it previously agreed via email on 31 October 2026 to publish the following documents tendered at the public hearing on 28 October 2025:

- Joint Statement from Not-for-Profit Early Childhood Education and Care Providers in Response to ABC Four Corners, tendered by Dr Ros Baxter, Chief Executive Officer, Goodstart Early Learning
- Perspectives on Teachers' Work in Australian Early Childhood Education and Care Settings: Evidence and Ecology – Erin Harper, Susan McGrath-Champ, Rachel Wilson – published 19 May 2025, tendered by Professor Rachel Wilson, Professor of Social Impact, University of Technology Sydney
- Workload demands, unpaid hours, and concerns about time with children: a survey of Australian early childhood educators – Erin Harper, Rachel Wilson, Susan McGrath-Champ – published 19 May 2025, tendered by Professor Rachel Wilson, Professor of Social Impact, University of Technology Sydney
- Letter from Ms Tanya Barton, Recognising Early Childhood Education and Care as a Core Function of Local Government – 27 October 2025, tendered by Ms Dimitria Vassios, Early Childhood Teacher, Enmore Early Learning Centre (Inner West City Council), United Services Union
- Evidence on Educator-to-Child Ratios in Early Childhood Education and Care, provided by Ms Tanya Barton, Early Childhood Educator and Centre Director, Inner West Council, United Services Union Delegate, tendered by Ms Dimitria Vassios, Early Childhood Teacher, Enmore Early Learning Centre (Inner West City Council), United Services Union
- Policy briefing notes and recommendations bundle, written by Ms Margaret Harrison, Ms Dimitria Vassios, Ms Cassandra Sumners, Ms Tanya Barton and Mr Brendan Eady, tendered by Ms Dimitria Vassios, Early Childhood Teacher, Enmore Early Learning Centre (Inner West City Council), United Services Union
- Letter and briefing note tendered by Ms Dimitria Vassios, Early Childhood Teacher, Enmore Early Learning Centre (Inner West City Council), United Services Union.

Resolved, on the motion of Ms Mihailuk: That the committee keep the following documents confidential tendered at the public hearing on 28 October 2025, as per the request of the witness:

- Understanding Work in Early Childhood Education and Care: An International Mixed Method Systematic Review by Dr Erin Harper & Professor Rachel Wilson, tendered by Professor Rachel Wilson, Professor of Social Impact, University of Technology Sydney
- Digitalisation of work: Key challenges in early childhood services by Erin Harper, Rachel Wilson, Susan McGrath-Champ & Scott Fitzgerald, tendered by Professor Rachel Wilson, Professor of Social Impact, University of Technology Sydney
- Survey of education perspectives on Assessment and Rating (A&R) practices by Dr Erin Harper and Professor Rachel Wilson, tendered by Professor Rachel Wilson, Professor of Social Impact, University of Technology Sydney

- Survey of educator perspectives on frustration at work by Dr Erin Harper and Professor Rachel Wilson, tendered by Professor Rachel Wilson, Professor of Social Impact, University of Technology Sydney.

4.2 Consultation with children

The committee noted that Ms Boyd and Ms Merton attended a consultation with children in early childhood education and care in their private capacity on Friday 21 November 2025. Ms Boyd and Ms Merton met with:

- Simone Watt, Early Childhood Teacher
- Shannon Ehlers, Early Childhood Teacher
- Nicole Jones, Gowrie NSW CEO
- Dasha Ellery, Centre Director
- Rhys Morris, Office for Youth
- Una O'Neill, Office for Youth
- eight children in early childhood education and care.

The committee noted that it agreed via email on 23 December 2025 to adopt the 'consultation with children summary report' of Ms Boyd and Ms Merton.

4.3 Public submission

The committee to note that the following submission was published by the committee clerk under the authorisation of the resolution appointing the committee: submission no. 167.

4.4 Partially confidential submission

Resolved, on the motion of Mr D'Adam: That the committee keep the following information confidential, as per the request of the author: names in submission no. 168.

4.5 Extension of reporting date

The committee noted that it previously agreed via email that the reporting date be extended to 21 May 2026 as per Standing Order 237.

4.6 Answers to questions on notice and supplementary questions

The following answers to questions on notice, supplementary questions and additional information were published by the committee clerk under the authorisation of the resolution appointing the committee:

- answers to questions on notice and supplementary questions from Mr Glen Hurley, Safety Advisor-Quality and Safety, Affinity Education Group received 22 October 2025
- answers to questions on notice and supplementary questions from Mr Pejman Okhovat, CEO and Ms Josie King, Chief Legal and Risk Officer, G8 Education, received 22 October 2025
- answers to supplementary questions from Mr Christopher Wheeler, Consultant received 22
- answers to questions on notice and supplementary questions from Ms Anna Learmonth, CEO, Only About Children and Ms Ros Marshall, OBE, Managing Director, International – Bright Horizons received 22 October 2025 and 6 November 2025
- answers to questions on notice from Ms Angela Marakovic Head Of Operations, Ms Tracey Jones Head of Compliance, and Mr Richard Bell CEO – PMC, Little Zak's Academy, received on 25 November 2025
- additional information from Ms Margaret Harrison Outside School Hours Care Coordinator, Raby OSHC (Campbelltown City Council), Ms Tanya Barton Centre Director, Enmore Early Learning Centre (Inner West City Council), Ms Dimitra Vassios Early Childhood Teacher, Enmore Early Learning Centre (Inner West City Council), Ms Cassandra Sumners Mobile Preschool Supervisor, Singleton Council and Mr Brendan

- Eady Early Childhood Teacher, Sutherland Early Education Centre (Sutherland Shire Council), of the United Services Union, received on 26 November 2025
- answers to questions on notice from Dr Erin Harper, Lecturer in Early Childhood Education, University of Sydney received on 27 November 2025
 - answers to questions on notice and supplementary questions from Ms Kay Turner, Chief Executive Officer, SDN Children's Services received on 27 November 2025
 - answers to questions on notice and supplementary questions from Ms Christine Legg, Chief Executive Officer, KU Children's Services received on 27 November 2025
 - answers to questions on notice and supplementary questions from Mr Murat Dizdar, Secretary, NSW Department of Education, Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes, Mr Kristian Holz, Acting Executive Director, Regulatory Reform, Mr Nicholas Backo, Acting Executive Director, NSW ECEC Regulatory Authority and Mr Daryl Currie, Acting Executive Director, Reform Implementation, NSW ECEC Regulatory Authority received on 27 November 2025
 - answers to questions on notice from Mr Martin Stokie, Commissioner, Productivity Commission, received on 4 December 2025
 - answers to questions on notice and supplementary questions from Mrs Nicole Jones, CEO, Gowrie NSW received on 3 December 2025.

Confidential

Resolved, on the motion of Mr D'Adam: That the committee keep the following documents confidential, as per the request of the author:

- 'document supporting Response 1' in response to answers to questions on notice and supplementary questions from Ms Anna Learmonth, CEO, Only About Children and Ms Ros Marshall, OBE, Managing Director, International - Bright Horizons
- answers to supplementary questions from Ms Kim Bertino, Chief Executive Officer, Big Fat Smile, received on 27 November 2025
- the following attachments to answers to supplementary questions from Ms Christine Legg, Chief Executive Officer, KU Children's Services, received on 27 November 2025:
 - Question 5, Attachment 1 (Copy of internal Remuneration Policy)
 - Question 6, Attachment 2 (Copy of Internal Organisation Chart with named personnel)
 - Question 7, Attachment 3 (List of all Government Subsidies and amounts)
 - Question 25, Attachment 5 (Additional child data collected)
 - Question 35, Attachment 7 (Results of internal Annual Staff Survey, showing questions in the survey)
- answers to questions 10, 11, 14, 15 and organisational chart provided as part of answers supplementary questions from Mrs Nicole Jones, Chief Executive Officer, Gowrie NSW, received on 3 December 2025
- answers to supplementary questions from Dr Ros Baxter, Chief Executive Officer, Goodstart Early Learning, received on 9 December 2025.

Partially confidential

Resolved, on the motion of Ms Mihailuk: That the committee keep the following information confidential, as per the recommendation of the secretariat: names and/or identifying and sensitive information in:

- answers to questions on notice and supplementary questions from Kerin McMahon, Chief Operations Officer, Busy Bees and Leanne Cain, Chief Pedagogy and Safeguarding Officer, Busy Bees

- answers to supplementary questions from Ms Angela Marakovic Head Of Operations, Ms Tracey Jones Head of Compliance, and Mr Richard Bell CEO – PMC, Little Zak's Academy.

4.7 Consideration of Chair's draft report

The Chair submitted her draft report entitled *Early childhood education and care sector in New South Wales*, which, having been previously circulated, was taken as being read.

Chapter 1

No amendments.

Chapter 2

Mr D'Adam moved: That Finding 1 be amended by omitting 'That governments across Australia, including the NSW Government,' and inserting instead 'The nationally harmonised system of child safety laws and regulations meant that governments'.

Question put.

The committee divided.

Ayes: Mr D'Adam, Ms Mihailuk, Mr Murphy, Ms Suvaal.

Noes: Ms Boyd, Ms Merton, Mrs Ward.

Question resolved in the affirmative.

Mr D'Adam moved: That the following new finding be inserted before paragraph 2.171:

'Finding X

That legislative reform in New South Wales was further delayed due to the decision to refer the Children (Education and Care Services National Law Application) Amendment Bill 2025 to Portfolio Committee 3 for inquiry and report.'

Question put.

The committee divided.

Ayes: Mr D'Adam, Ms Mihailuk, Mr Murphy, Ms Suvaal.

Noes: Ms Boyd, Ms Merton, Mrs Ward.

Question resolved in the affirmative.

Chapter 3

Mr D'Adam moved: That paragraph 3.128 be amended by omitting: 'The funding does not assist in lifting pay and conditions and will not assist the vast majority of community preschools' after 'to school age (the Expanding Quality Access program)'

Question put.

The committee divided.

Ayes: Mr D'Adam, Mr Murphy, Ms Suvaal.

Noes: Ms Boyd, Ms Mihailuk, Ms Merton, Mrs Ward.

Question resolved in the negative.

Ms Merton moved: That paragraph 3.128 be amended by inserting 'In the opinion of the Independent Education Union of Australia,' before 'the funding does not assist in lifting pay'.

Question put and passed.

Mr D'Adam moved: That paragraph 3.132 be amended by omitting: 'The funding for the 100 new preschools is a "\$100 million investment by the Childcare and Economic Opportunity Fund", as stated by Mr Mark Barraket, Deputy Secretary, Early Childhood Outcomes, NSW Department of Education. The Childcare and Economic Opportunity Fund is examined at 3.136-3.138' after 'to be co-located on public primary schools'.

Question put and passed.

Mr D'Adam moved: That paragraph 3.143 be amended by omitting '\$80,000' and inserting instead '\$85,279'. [FOOTNOTE: Australian Government Department of Education, *Child Care Subsidy*, <https://www.education.gov.au/early-childhood/providers/child-care-subsidy>]

Question put and passed.

Ms Merton moved: That Recommendation 3 be omitted: 'That the NSW Government take immediate steps to ensure that no community-run preschool or not-for-profit early childhood education and care service be forced to close down or significantly increase fees due to the expiry or revocation of a favourable lease or other arrangement with the State or a NSW local council' and the following new recommendation be inserted instead:

'That the NSW Government revise Start Strong funding to ensure community-run preschool or not-for-profit early childhood education and care service are not forced to close down or significantly increase fees due to the expiry or revocation of a favourable lease or other arrangement with the State or a NSW local council.'

Question put.

Committee divided.

Ayes: Ms Boyd, Ms Merton, Ms Mihailuk, Mrs Ward.

Noes: Mr D'Adam, Mr Murphy, Ms Suvaal.

Question resolved in the affirmative.

Mr D'Adam moved: That paragraph 3.200 be amended by omitting 'Alarming, the NSW Government seemed to have little to say about its role in the distribution of ECEC services from a policy perspective. In fact, they indicated that there is not a policy position on how the sector should look in terms of the proportion of providers. This is of great concern to the committee, given the increasing dominance of for-profit providers and decline of not-for-profit', and inserting instead: 'The NSW Government's primary policy related to sector composition is doubling the number of publicly run preschool services in the state over just four years.'

Question put and passed.

Ms Merton moved: That Recommendation 4 be omitted:

'That the NSW Government develop and introduce a policy about the composition of the early childhood education and care sector, which uses government funding and other levers (including through Childcare and Economic Opportunity Fund funding prioritising the expansion of high-quality, not for profit-providers and by facilitating the provision of favourable lease arrangements for services to run on land owned by State and local governments) to:

- reduce the overall percentage of large for-profit providers and services, and
- increase the overall percentage of not-for-profit, government-run and community-run providers and services.'

Question put and negated.

Ms Merton moved: That Recommendation 6 be omitted: 'That the NSW Government investigate models of regulating rents in the early childhood education and care sector, such as by prescribing a reasonable rate of return, or by enforcing rental caps.'

Question put.

The committee divided.

Ayes: Ms Mihailuk, Ms Merton, Mrs Ward.

Noes: Ms Boyd, Mr D'Adam, Mr Murphy, Ms Suvaal.

Question resolved in the negative.

Mr D'Adam moved: That Recommendation 6 be amended by omitting ', such as by prescribing a reasonable rate of return, or by enforcing rental caps'.

Question put and passed.

Mr D'Adam moved: That Recommendation 7 be amended by inserting 'where possible' after 'That the NSW Government take action'.

Question put and passed.

Ms Merton moved: That Recommendation 8 be omitted: 'That the NSW Government call on the Australian Government to fully investigate other models of public funding (such as direct funding for services, or subsidies being limited to services with fee caps and/or profit caps) as an alternative to the current early childhood education and care funding mechanisms', and the following new recommendation be inserted instead:

'That the NSW Government call on the Australian Government to fully investigate other models of public funding (such as direct funding to parents to allow them to exercise choice and provide flexibility or direct funding for services) as an alternative to the current early childhood education and care funding mechanisms.'

Question put.

Committee divided.

Ayes: Ms Merton, Ms Mihailuk, Mrs Ward.

Noes: Ms Boyd, Mr D'Adam, Mr Murphy, Ms Suvaal.

Question resolved in the negative.

Mr D'Adam moved: That:

- a) paragraph 3.213 be omitted: 'The committee welcomes the NSW Government's delivery of 100 new public preschools by 2027. However, we note that the location of these preschools may impact on the viability of high-quality not-for-profit providers who are located in the same areas and urge the NSW Government to prioritise areas in most need of quality ECEC service options.'
- b) Recommendation 11 be omitted: 'That the NSW Government prioritise the delivery of its new public preschools in the areas of most need of quality early childhood education and care service options.'

Question put.

The committee divided.

Ayes: Mr D'Adam, Ms Mihailuk, Mr Murphy, Ms Suvaal.

Noes: Ms Boyd, Ms Merton, Mrs Ward.

Question resolved in the affirmative.

Chapter 4

Mr D'Adam moved: That paragraph 4.32 be amended by inserting at the end: 'However as noted by Mr Currie, these delays were often due to other processes that undercut these decisions, including stays being granted by NCAT.'

Question put and passed.

Mr D'Adam moved: That paragraph 4.164 be amended by inserting 'continue to' after 'NSW Early Learning Commission'.

Question put and passed.

Mr D'Adam moved: That:

- a) paragraph 4.165 be amended by inserting 'Some' before 'evidence to the committee'
- b) paragraph 4.165 be amended by omitting 'It is unclear to the committee why these ratings are kept confidential given they would be a valuable source of information for parents and carers when assessing where to send their children. As such, the committee recommends that the NSW Early Learning Commission publish internal risk ratings of ECEC services along with an explanation of how those risk ratings are derived' and inserting instead:
 - 'Expert witnesses, including Mr Wheeler, presented evidence that revealing these risk ratings would lead to adverse effects on child safety in the long term as providers would be better able to "game" the system in order to modify their rating. More thought should be given to whether these ratings should be released, and in the case that they are, how they could be released in a way that wouldn't negatively effect child safety.'
- c) Recommendation 14 be omitted: 'That the NSW Early Learning Commission publish internal risk ratings of early childhood education and care services along with an explanation of how those risk ratings are derived.'

Question put.

Committee divided.

Ayes: Mr D'Adam, Mr Murphy, Ms Suvaal.

Noes: Ms Boyd, Ms Merton, Ms Mihailuk, Mrs Ward.

Question resolved in the negative.

Mr D'Adam moved: The paragraph 4.167 be amended by omitting: 'Concerningly, the NSW ECEC RA has often acted too slowly, or taken insufficient action, against centres with multiple compliance breaches, safety incidents or persistently low ratings', and inserting instead: 'Concerningly, the NSW ECEC RA was in some circumstances hampered by other legal processes including NCAT, that prevented it from taking sufficient action in an appropriate amount of time against centres with multiple compliance breaches, safety incidents, and persistently low ratings'.

Question put.

Committee divided.

Ayes: Mr D'Adam, Mr Murphy, Ms Suvaal.

Noes: Ms Boyd, Ms Merton, Ms Mihailuk, Mrs Ward.

Question resolved in the negative.

Mr D'Adam moved: The paragraph 4.167 be amended by inserting at the end:

'The committee also notes that NSW ECEC RA was in some circumstances hampered by other legal processes including NCAT, that prevented it from taking sufficient action in an appropriate amount of time against centres with multiple compliance breaches, safety incidents, and persistently low ratings'.

Question put and passed.

Mr D'Adam moved: That:

- a) paragraph 4.168 be omitted: 'Therefore, the committee finds that the NSW ECEC RA failed to respond appropriately to services with extensive histories of non-compliance, breaches, safety incidents and persistently poor ratings.'
- b) Finding 6 be amended by omitting 'failed to' and inserting instead 'did not have the tools and powers to'.

Question put.

Committee divided.

Ayes: Mr D'Adam, Mr Murphy, Ms Suvaal.

Noes: Ms Boyd, Ms Merton, Ms Mihailuk, Mrs Ward.

Question resolved in the negative.

Mr D'Adam moved: That Recommendation 17 be amended by omitting: 'providers applying to open new services will be required to have achieved a Meeting rating or higher at a minimum of 95 per cent of their existing services' and inserting instead 'providers applying to open new services cannot have a service rated as 'Working Towards' or lower'.

Question put and passed.

Mr D'Adam moved: The paragraph 4.174 be omitted: 'Despite these limitations, the review found that the NSW ECEC RA had been effective in performing its role, noting limits on its powers under the National Law and National Regulations, and its level of resources. The committee is astounded that the Wheeler Review came to such a conclusion, given what we have learnt of the NSW ECEC RA's failure to respond appropriately to services with extensive histories of non-compliance, breaches, safety incidents and consistently poor ratings.'

Question put.

Committee divided:

Ayes: Mr D'Adam, Ms Mihailuk, Mr Murphy, Ms Suvaal.

Noes: Ms Boyd, Ms Merton, Mrs Ward.

Question resolved in the affirmative.

Mr D'Adam moved: That Recommendation 24 be amended by omitting 'counted in educator to child ratios' and inserting instead 'unsupervised around children while being counted in educator to child ratios'.

Question put.

Committee divided:

Ayes: Mr D'Adam, Ms Mihailuk, Mr Murphy, Ms Suvaal.

Noes: Ms Boyd, Ms Merton, Mrs Ward.

Question resolved in the affirmative.

Chapter 5

Mr D'Adam moved that:

- a) paragraph 5.78 be amended by omitting 'introduce', and inserting instead 'consult with the Commonwealth Government regarding'
- b) Recommendation 30 be amended by omitting 'introduce' and inserting instead 'consult with the Commonwealth Government regarding'.

Question put.

Committee divided:

Ayes: Mr D'Adam, Mr Murphy, Ms Suvaal.

Noes: Ms Boyd, Ms Merton, Ms Mihailuk, Mrs Ward.

Question resolved in the negative.

Mr D'Adam moved that:

- a) paragraph 5.81 be omitted: 'Further to this, parents must have access to, and be encouraged, to access child safety training. As such, the committee recommends that the NSW Early Learning Commission develop and advertise free child safety training to be available for all parents and carers.'
- b) Recommendation 32 be omitted: 'That the NSW Early Learning Commission develop and advertise free child safety training to be available for all parents and carers.'

Question put.

Committee divided:

Ayes: Mr D'Adam, Mr Murphy, Ms Suvaal.

Noes: Ms Boyd, Ms Merton, Ms Mihailuk, Mrs Ward.

Question resolved in the negative.

Resolved, on the motion of Ms Mihailuk: That:

The draft report as amended be the report of the committee and that the committee present the report to the House;

The transcripts of evidence, submissions, tabled documents, answers to questions on notice and supplementary questions, and correspondence relating to the inquiry be tabled in the House with the report;

Upon tabling, all unpublished attachments to submissions be kept confidential by the committee;

Upon tabling, all unpublished transcripts of evidence, submissions, tabled documents, answers to questions on notice and supplementary questions, and correspondence relating to the inquiry, be published by the committee, except for those documents kept confidential by resolution of the committee;

The committee secretariat correct any typographical, grammatical and formatting errors prior to tabling;

The committee secretariat be authorised to update any committee comments where necessary to reflect changes to recommendations or new recommendations resolved by the committee;

Dissenting statements be provided to the secretariat by 9.00 am, Friday 15 May 2026;

The secretariat is tabling the report on 20 May 2026;

The Chair to advise the secretariat and members if they intend to hold a press conference, and if so, the date and time.

4.8 Acknowledgement of the committee secretariat

Resolved, on the motion of Ms Merton: That the committee sincerely thank the committee secretariat, and in particular Kara McKee, for their hard work, dedication and assistance throughout the inquiry into early childhood education and care sector in New South Wales.

5. Adjournment

The committee adjourned at 11.15 am, *sine die*.

Jessie Halligan and Kevin Cen

Committee Clerks

