



Inquiry into the Early Childhood Education and Care Sector in New South Wales

Submission from Early Childhood Australia
June, 2025

About us

Early Childhood Australia (ECA) is a member-driven, not-for-profit based organisation first incorporated in 1938. We work at both the national and local levels, with active State and Territory Committees in each Australian jurisdiction and a National Board of Directors. Our membership includes early childhood professionals, services, schools and organisations that share a commitment to the rights and wellbeing of young children.

Our vision is that every young child is thriving and learning. To achieve this, we champion the rights of young children to thrive and learn at home, in the community, within early learning settings and through the early years of school. Our work builds the capacity of our society and the early childhood sector to realise the potential of every child during the critical early years from birth to the age of eight.

ECA acknowledges the unique place of Aboriginal and Torres Strait Islander peoples in our society, the past and current injustices and realities for them across Australia, and the enduring strength of their cultures and identities. We commit to being at the forefront of achieving a reconciled nation that values, respects and celebrates Aboriginal and Torres Strait Islander ways of knowing and being.

Find out more at: www.earlychildhoodaustralia.org.au

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Acknowledgement of Country

Early Childhood Australia acknowledges the Traditional Custodians of Country throughout Australia and their continuing connection to land and community. We pay our respect to them and their cultures, and to the Elders both past and present.

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Executive Summary

Early Childhood Australia (ECA) welcomes the Inquiry into the Early Childhood Education and Care Sector in New South Wales (the 'Inquiry'), and its broad scope to hear from across the early childhood education and care sector. ECA acknowledges the timeliness of the Inquiry following the devastating media coverage of incidents in which children's safety and wellbeing was compromised, and NSW Regulatory Authority (the 'regulator') action was taken in response.

In this submission, we provide some broad policy perspectives on behalf of our national network as well as some specific commentary from our ECA NSW Committee and NSW based members that participate in eight regional networks across the state.

Such incidents of child harm should not occur, however, if they do occur or there is a risk of them occurring, it is important that educators are empowered to take action and to report safety concerns to the regulator. It is also essential that the regulator has the capacity to respond effectively. The regulator needs appropriate powers to act quickly to protect children's safety and wellbeing, ensure that families are informed and to investigate contributing factors in order to strengthen safeguards within services and across the sector more broadly.

As the national peak for children, families and education professionals, ECA advocates for high quality early childhood education and care (ECEC) that meets the needs of children, families and communities. We are proud to publish the ECA Code of Ethics which has been widely adopted throughout the early childhood profession. ECA actively supported the introduction of the Early Years Learning Framework and National Quality Framework as important systemic components of a quality ECEC sector. ECA is also a leading provider of professional learning resources to early childhood educators, teachers and service leaders. Our professional learning resources span topics including ethics, regulatory compliance, early years pedagogy and inclusive practice.

ECA is ready to assist and work with the NSW government, the Australian government, providers and educators, to strengthen safeguarding mechanisms for children in every part of the early childhood service system. We believe that building capability in the early childhood education and care workforce and understanding what drives high quality practice are important to achieving this. We also support steps being taken to prevent unscrupulous providers entering into the early childhood education and care sector and to shut the door on those who do not belong in the provision of early childhood education and care.

Providing regulatory authorities with greater resources, funding and provisions to enact and utilise all powers of the National Law would strengthen its ability to undertake more proactive actions and regulatory actions against serial underperformers rather than reactive measures.

Greater support for ECEC services to meet the National Quality Standard would benefit approved providers, educators and most importantly, children and their families. It is particularly important that we deliver high quality ECEC in communities where children are at increased risk of disadvantage or vulnerability.

This submission argues that NSW early childhood education and care stands at a critical juncture. An urgent, system-wide response is required if the sector is to deliver on its promise of high-quality, accessible, and inclusive early learning for every child. We would be happy to speak to this submission and/or provide additional advice, on request.

ECA Response

Introduction

Early Childhood Australia (ECA) welcomes the Inquiry into the Early Childhood Education and Care Sector in New South Wales (the 'Inquiry'), and its broad scope to hear from across the early childhood education and care sector. ECA acknowledges the timeliness of the Inquiry following the devastating media coverage of incidents in which children's safety and wellbeing was compromised, and NSW Regulatory Authority (the 'regulator') action was taken in response.

Such incidents of child harm should not occur, however, if they do occur or there is a risk of them occurring, it is essential that the regulator has the capacity to respond effectively. The regulator needs appropriate powers to act quickly to protect children's safety and wellbeing, ensure that families are informed and to investigate contributing factors in order to strengthen safeguards within services and across the sector more broadly.

In this submission, we provide some broad policy perspectives on behalf of our national network as well as some specific commentary from our ECA NSW Committee and NSW based members that participate in eight regional networks across the state. In our view, early childhood education and care stands in NSW stands at a critical juncture. An urgent, system-wide response is required if the sector is to deliver on its promise of high-quality, accessible, and inclusive early learning for every child. We would be happy to speak to this submission and/or provide additional advice, on request.

Safety, health and wellbeing of children in ECEC services (a)

Early Childhood Australia (ECA) and its members are staunch advocates for the safety, health and wellbeing of young children. This is reflected in the ECA Code of Ethics guiding principles:

- Each child has unique interests and strengths and the capacity to contribute to their communities.
- Children are citizens from birth with civil, cultural, linguistic, social and economic rights.
- Effective learning and teaching is characterised by professional decisions that draw on specialised knowledge and multiple perspectives.
- Partnerships with families and communities support shared responsibility for children's learning, development and wellbeing.
- Democratic, fair and inclusive practices promote equity and a strong sense of belonging.
- Respectful, responsive and reciprocal relationships are central to children's education and care.
- Play and leisure are essential for children's learning, development and wellbeing.
- Research, inquiry and practice-based evidence inform quality education and care.

All educators, early childhood teachers and service leaders should be appropriately qualified to work with children in a way that acknowledges, respects and upholds their rights and promotes their wellbeing. Ensuring that they have access to both initial and ongoing professional development in ethical practice is essential to building service cultures in which the values of every team member are aligned.

It is also important to have a strong reporting culture within early childhood education and care (ECEC) services, but we know that this is not evident in every ECEC service. We see examples of educators using mechanisms available to them to act as whistleblowers and to fiercely advocate for children when they have reported unsafe and poor practice that puts children's health, safety and wellbeing at risk of harm. This is an important element of safeguarding.

Educators should rightly expect that when they do report concerns about children's safety these concerns will be investigated in a timely, responsive and effective manner with careful consideration of children and families.

It is also important to attend to the mental health impacts of critical incidents on the workforce. In a report from Be You (2024) only 55 per cent (55%) of educators felt confident that their communities were adequately prepared to support children and families after a critical incident. Furthermore, 53% of educators reported that these incidents had a negative impact on their learning community.¹

Service Quality and Children's Outcomes (b)

As the national peak for children, families and education professionals, ECA advocates for high quality early childhood education and care (ECEC) that meets the needs of children, families and communities. ECA actively supported the introduction of the Early Years Learning Framework and National Quality Framework (NQF) as important systemic components of a quality ECEC sector.

The NQF is a world-class framework capable of delivering high quality ECEC if appropriately resourced to ensure compliance and drive a culture of continuous improvement. In the transition to the NQF the Australian Government invested in extensive information, guidance and free professional learning to help educators and sector leaders understand and implement the quality standards through the NQS Professional Learning Program (NQS PLP) which was supported by ECA and its network of subject matter experts. This complemented the work of Australian government funded Professional Support Coordinators (PSCs) that provided information, coaching and training to services that needed help with pedagogy and practice. The funding for the NQS PLP and the PSCs came to an end in 2014-15 and since that time, investment in professional learning and professional support has been the primarily the responsibility of providers or individual educators rather than government agencies.

ECA is a leading provider of professional learning resources to early childhood educators, teachers and service leaders. Our professional learning resources span topics including ethics, regulatory compliance, early years pedagogy and inclusive practice. We also recognise that there are other high quality professional learning resources available to the early childhood sector. However, the majority of professional learning products available to services need to be purchased. This relies on providers having the means and the commitment to quality to invest in professional learning for their education teams – including paid time to participate, embed and reflect on their learning.

Enduring investment in the professional early childhood workforce is needed, particularly in uplifting capability in inclusive, trauma-informed, and culturally safe practices. ECA's members have also highlighted the need for sector professional learning and training in neuro-divergence and

¹ Be You (2024) National mental health report 2024. Australian Government. <u>National Mental Health in Education Report - Be You</u>

foregrounded the need for better understanding of the developmental needs of infants and young children.

Mental health is increasingly recognised as a key part of children's safety, health, and wellbeing in early childhood education and care. However, evidence shows that continued effort is needed to strengthen support in this area. The **Be You Mental Health in Education Report 2024** found that 77% of educators identified anxiety and depression as the most significant health issues affecting children and young people (p. 5). Excessive screen time was also identified as a growing concern, with 58% of educators citing it as a major health issue in 2024—up from 55% in 2022 (p. 7).

Insights from Be You highlight that social and emotional learning (SEL) plays a critical role in supporting both quality education and is central to supporting children's mental health and wellbeing. SEL builds foundational skills such as emotional regulation, empathy, relationship-building, goal setting, and a strong sense of self. Be You has found that when educators embed social and emotional learning (SEL) into everyday practice with confidence, learning environments are more positive and inclusive. Strengthening educator capability in SEL not only supports the development of individual children—particularly those experiencing vulnerability or disadvantage—but also enhances the overall quality of educational programs and practice. Mentally healthy learning communities are critical to children achieving their best possible mental health. Fostering an environment that promotes connectedness, belonging and characterised by strong, supportive relationships will support positive mental health outcomes for children.2

Barriers to high quality ECEC put forward by ECA NSW include:

- High educator turnover and chronic vacancies
- Shortage of skilled, experienced teachers
- Regulatory inconsistency and limited accountability for poor practice
- Questionable validity on much of the (largely online) training being sold to the sector
- Funding models that allow fees to rise without addressing wage rates

Safety, pay and conditions of educators (c)

There is a lack of consistency in the working conditions experienced by early childhood educators, teachers and service leaders. Unlike the public education system there is no central coordination of recruitment into educator or teaching roles, no codified support provided in early career stages and no clear pathway through to more senior roles such as pedagogical leadership or management roles.

Safety, pay and conditions are very much determined by employers. At one end of the spectrum there are exemplar employers who typically provide their education teams with:

- Strong induction support and early career mentoring
- Adequate non-contact time for programming, observation and reflective practice
- Access to high quality, sustained professional learning
- Regular performance feedback and coaching through supportive supervision

² Be You (2024, November). *Social and emotional learning*. <u>Social and emotional learning</u> - <u>Be You</u>

These employers often pay above minimum wage rates and operate services at above minimum staffing ratios, in recognition that children's outcomes are directly impacted by the stability, experience and capability of the education team.

Many of the employers we would identify as exemplar are not-for-profit providers, often with longevity in the delivery of high quality, values based ECEC. At the same time there are some very good exemplar employers amongst private or for-profit providers, particularly those with strong local community connection and engagement. There are also very good examples of generous working conditions in the independent schools operating early childhood services.

One of the challenges to quality in the ECEC sector at the moment is the impact of workforce shortages and high staff turnover.

In 2022, ECA commissioned ORIMA to undertake research to explore the experience of 100 teachers and educators who had recently left the ECEC sector to explore why they left, their experiences of working in the sector, and what might encourage them to return. The survey adopted both quantitative and qualitative methods and was supplemented by three online focus groups comprising 16 of the respondents who indicated their willingness to participate when completing the survey. We would support this type of work being repeated at scale across New South Wales (and into other jurisdictions also) to properly capture the voice of educators and teachers.

For 76% of the early childhood education professionals surveyed, 'the joy of working with children' was the leading reason why educators entered the workforce. This was supported in the qualitative research too, which reinforced the important role educators played in the early years of a child's development, setting the foundations for a child's future.

The research identified the top four reasons why educators left the sector as poor rate of pay (41%), work stress (34%), developing new skills (26%), and high workload (25%). The supporting qualitative research further indicated that 'poor rate of pay' is the cumulative effect of many unpaid hours of work, constant demands and insufficient staff to deliver a good service. Educators described that feeling physically and emotionally burnt out from working in the sector, coupled with no ability to control their own working environment, left them feeling that leaving the sector was the only option.

Research participants suggested that improved pay and higher staff-to-child ratios would entice many educators to return to the sector as well as quarantined non-contact hours allocated for documentation and programming. Overall, improving pay and working conditions, as well as investing in management and leadership skills for service leaders would potentially encourage more people back to early childhood education.

Educator wellbeing is a key contributor to the mental health and wellbeing of the entire learning community. Educator wellbeing affects how educators interact and build relationships with children, families and colleagues (Beyond Self-care: An educator wellbeing guide, 2024). However, the early childhood workforce continues to face challenges that impact their wellbeing. In 2024, more than half of educators reported unusually high staff turnover. Of those, 93% said it negatively affected their own wellbeing, and 79% observed a direct impact on the wellbeing of children.

The **Be You Mental Health in Education Report 2024** highlights that a supportive workplace culture—shaped by strong leadership—is essential for educator wellbeing. Yet only 62% of educators feel their leadership actively supports staff wellbeing. Access to practical supports also

remains limited; just 54% of educators reported having access to a wellbeing coordinator, and nearly one in four said they lacked time for professional development. ³

While self-care is important, educator wellbeing is about more than individual strategies. Only focusing on self-care ignores systemic issues and is unlikely to create meaningful change for educator's wellbeing.

ECA NSW report from members that:

- Among 16 community-based directors on the Central Coast, four (25 %) resigned within three months.
- Services report six-year continuous advertising campaigns for Early Childhood Teachers (ECTs) with negligible success; casual educator pools have collapsed.
- Pay parity gaps widen morale divides: state-funded community preschool staff missed the 15 % Federal Workforce Retention Payment received by long-day-care colleagues, despite identical qualifications.

Effectiveness of the regulatory framework (d) and NSW Regulatory Authority (e)

The NSW Regulatory Authority has responded effectively to many serious incidents occurring in NSW ECEC services and has a clear commitment to child safety and wellbeing. However, the investment in the NSW Regulatory Authority (and regulatory authorities in other jurisdictions) has not kept pace with the growth and complexity of the sector. As a result, the regulator is under-resourced and not as responsive to concerns or complaints raised by educators as it could be.

ECA can prepared to provide further commentary from members and examples of current regulatory arrangements, variance in regulatory support and practice, and the subsequent impact at service level on children, families, early childhood professionals and whole-of-service. The table below summarises some of the feedback provided by members on the current regulatory process in NSW.

Common Observations	Detail
Minimal time on-site	Some partial assessments lasted four hours with most time spent in the office rather than observing practice.
	Outcomes depend heavily on an assessor's individual bias and past background (e.g., school-age care).
Evidence focus	Over-reliance on documentary "evidence" that can be fabricated versus direct observation of children and educators.
Spot-check scarcity	Many services have not received an unannounced visit in five years .

³ Be You. (2024). National mental health in education report 2024. Australian Government. <u>National Mental</u> <u>Health in Education Report - Be You</u>

The collection, evaluation and publication of reliable data (f)

Early Childhood Australia backs in Australia's world-leading National Quality Framework. We understand that for many families choosing an ECEC service often comes down to affordability, accessibility and an awareness of local service available to them. However, there are many competing sources of advice for parents/carers traversing this territory, but ideally the NQS rating a service receives, should provide accessible guidance to families on the quality of the service.

We suggest that where compliance action is taken, this should be reported in a timely manner at provider/service level and be publicly available, but should not breach the privacy of children, families and early childhood professionals. We recommend that NSW look at the public reporting from other jurisdictions, notably South Australia, on breaches as a possible model.

Quality, availability and affordability of qualification training (g)

The quality of vocational education and training (VET) and initial teacher education (ITE) is considered to be an important levers, with qualification standards a priority to uphold. Similarly high quality, affordable and accessible professional learning and training for the existing ECEC workforce a priority to uplift capability, embed and sustain quality practices. ECA has heard from the sector that it can be difficult to discern which providers are delivering research-informed, quality professional learning and training, applicable to contemporary, complex, dynamic early childhood settings.

ECA NSW reporting on members feedback on the quality of service and training, put forward the following as insights from members:

- Erosion of qualification standards through fast-tracked degrees and poorly-regulated RTOs.
- **Regulatory inconsistency**: authorised officers with limited ECEC experience; excessive focus on paperwork; superficial assessment windows; and divergent ratings that can be "purchased" by large chains.
- **Profit before quality** in some corporate settings, with insufficient unannounced spot-checks to deter unsafe practice.

Composition of the ECEC sector and government funding (h)

Through ECA's advocacy work at national and state/territory levels, our focus is on a healthy, high quality early childhood 'ecosystem'. Quality providers exist across provider and service types, and a focus should be on building quality across all parts of the 'ecosystem'. For smaller providers without the scale of larger providers, additional pressures can exist as they navigate complex HR management, and other operational arrangements, as well as their direct work with children and families. Similarly non-centre-based services also have specific needs that should be well-understood. Variance even in centre-based services by funding, location and integration would be better understood through careful mapping of existing services provision, and supply and demand. Quantitative and qualitive data, including community needs analysis, would be useful to best understand how well children, families and communities are currently served, and where opportunities may exist to strengthen ECEC offerings particularly for where children, families and communities sit outside the current system. The best interests of children and families should be the focus.

ECA NSW puts forward from members issues of access and affordability, that:

- There is a large wait-list for preschool positions particularly in rural and regional areas.
- Families routinely assemble enrolments across two or three centres to secure a five-day work week—an arrangement that compromises children's continuity of care and parents' workforce participation.
- Repeated fee-relief injections have coincided with fee increases while educator wages remain stagnant, illustrating the need to link public subsidies to wage and supply outcomes.

Experiences of children with disability, their parents/carers (i)

ECA would like to see every child receiving the early childhood they deserve. The system needs to be responsive and adaptive to support families where they are at and when they need it. Australia has great early education and care opportunities for children to participate in, so they thrive and learn today and in the years ahead. However, this is not the case for every child. Families with children with disability or challenging behaviours often report exclusion from services.

The Australian Institute of Family Studies (AIFS) Evaluation of the Child Care Package reported a finding that 20% of families with a child with additional needs had to change services because their children's additional needs could not be met. These families were also more likely to be dissatisfied with the service they received. The evaluation also reported the practices of services not offering places to children with additional needs or operating a quota system—capping the number of children who could attend. The impact on families in lower socio-economic circumstances are also impacted in higher proportions.

The Inclusion Support Program (ISP) has experienced increased demand and pressures, which has impacted upon the services available to support children with additional needs. In the ISP currently, there is a mismatch between funding allocation, service provision costs and the financial support provided for the necessary additional educators through the program. This needs to change so that services are not disadvantaged, or even disincentivised, when they include every child in their community.

ECA supports significant increases to the funding allocated to the Inclusion Support Program, to better reflect the growing number of ECEC services and children requiring support. Delays in supporting inclusion of children requiring support due to the administrative burden, requirement for a formal diagnosis, and demands on Inclusion Agencies is impacting the capacity of ECEC services to ensure inclusive and responsive practices and environments for every child. Children with additional needs other than disability, such as challenging behaviours or traumatic backgrounds, should be accepted for all ECEC services seeking access to the Inclusion Development Fund Subsidy for an Additional Educator and the Family Day Care Top Up. The Family Day Care Top Up is underutilised. In part, this is due to the administrative burden placed upon providers to apply, and compounded by the gap between costs of providing services and the Top Up payment amount. Any changes or improvements to the Family Day Care Top Up needs considerable consultation with key stakeholders to consider how children and FDC educators/providers can be better supported by the ISP. For children in FDC with a diagnosis or additional needs without a diagnosis, there is little inclusion support available. The onus falls to FDC educators and providers to ensure FDC settings are inclusive and meet children's needs.

Inclusion is more than access—it is a protective factor for mental health, both now and in the long term. Inclusive environments foster belonging, uphold the rights of children with developmental delay or disability, and contribute to the wellbeing of all children. Leaders and leadership teams play a pivotal role in championing inclusive practices by embedding policies and approaches that ensure equitable access to opportunities, resources, and support for every child. Inclusion begins with strong, respectful partnerships with families—who bring deep knowledge of their child's strengths, needs, and preferences.⁴

ECA NSW further explain that:

Services report an alarming decline in their ability to adequately support children with disability or additional needs. In a 2025 survey of early childhood directors, the overwhelming majority rated their capacity to provide inclusive education as either poor, desperate, or drowning. Only a small minority felt their service could confidently meet the growing complexity of needs.

Key barriers include:

- Chronic workforce shortages, which mean fewer staff are available to provide one-on-one or small group support. High staff turnover, undermining the consistency and relationships essential for inclusion. Time-intensive, inconsistent funding processes, such as inclusion support applications, which divert limited staff time from children to paperwork. Inadequate access to specialists, such as speech pathologists and occupational therapists, especially in rural and regional areas.
- Insufficient training and professional development, leaving educators underprepared to
 meet complex behavioural, developmental, or medical needs. While demand for inclusive
 enrolments is growing, the system is structurally unprepared to deliver. Without targeted
 investment, streamlined support processes, and workforce stabilisation, services will
 continue to struggle—and children with disability will be the ones most affected.

Conclusion

ECA NSW members with their expertise and experience puts forward the following as priorities to strengthen and invest in early childhood education and care in New South Wales:

- 1. **Full wage parity** with primary-school teachers across all service types, tied to any public subsidy.
- 2. **Robust regulation of RTOs** and an end to fast-tracked degrees that dilute professional standards.
- 3. **Expansion of not-for-profit and community provision** through capital grants and low-interest loans, conditional on supply and inclusion targets.
- 4. **Enhanced regulator practice**: unannounced visits, longer observation periods, and a revised evidence framework prioritising live practice over paperwork. Bring back a friendly and supportive children's services advisors to support educators.
- 5. **Streamlined inclusion funding** and funded professional development to improve support for children with disability.

⁴ Be You. (2025). *Disability inclusion guide*. Australian Government. <u>Disability Inclusion Guide - Be You</u>

6. **Nationally consistent Working with Children Check** and police-check regime, reducing duplication and improving quality assurance.

We would appreciate the opportunity to engage and expand on commentary provided here to inform the Inquiry of the views of members and the work of ECA in advocacy, advice to government, and professional learning and publications. We are deeply committed to every child thriving and learning, and understand the importance of our professional workforce and quality providers in delivering on the promise to children across NSW.

Initiatives which help to lift the status of the profession can positively impact and acknowledge the professionalism of our existing professional early childhood workforce, but also go some way in building knowledge of the general public about the importance of early childhood and the work of early childhood professionals (e.g. shifting language from workers to educators). We are ready and able to work with the NSW government in making positive improvements to early childhood education and care for every child to thrive and learn, whilst acknowledging and backing in quality providers and the professional and dedicated early childhood workforce who serve children, families and communities across NSW.

Evidence from frontline services confirms that educator wages, workforce stability, lack of professional support and regulatory consistency are the keystones upon which accessibility, affordability, and quality all rest. Addressing remuneration first will enable the sector to stem attrition, rebuild quality, and meet the aspirations of children and families across New South Wales.