

Independent Market Monitoring Review Methodology Paper 2025

Submission by KU Children's Services | July 2025

Contents

ACKNOWLEDGEMENT OF COUNTRY 3

KU STATEMENT OF COMMITMENT TO ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLES . 3

KU STATEMENT OF COMMITMENT TO CHILD SAFETY AND WELLBEING..... 3

ABOUT KU CHILDREN’S SERVICES 3

INTRODUCTION 4

SUPPLY SHORTAGES 5

AFFORDABILITY AND ACCESSIBILITY BARRIERS 7

WORKFORCE, PAY AND CONDITIONS 8

QUALITY STANDARDS 10

OTHER COMMENTS 13

IN SUMMARY 13

ACKNOWLEDGEMENT OF COUNTRY

KU respectfully acknowledges the Traditional Owners of the Countries of Aboriginal and Torres Strait Islander Peoples and communities on which KU services and programs are delivered. The contribution by Aboriginal and Torres Strait Islander Peoples to the education of young children existed long before our story began.

KU STATEMENT OF COMMITMENT TO ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLES

KU has an organisational responsibility to the revitalisation and advancement of the cultures, histories, and beliefs of Aboriginal and Torres Strait Islander Peoples of Australia as determined by them. Guided by our values and ethical practices, we commit to creating locally led programs and opportunities shaped and determined by Aboriginal and Torres Strait Islander children and families, employees, communities, and organisations.

KU STATEMENT OF COMMITMENT TO CHILD SAFETY AND WELLBEING

As a child safe organisation, we continue our longstanding and unwavering commitment to the safety and wellbeing of children, with zero tolerance of child abuse.

ABOUT KU CHILDREN'S SERVICES

KU is one of the largest not for profit and for purpose providers of early education. Established in 1895 as the Kindergarten Union of NSW, KU was the first provider of early childhood education and care (ECEC) in Australia and is the nation's most experienced provider.

KU has a long-demonstrated history of providing and supporting high-quality, inclusive early childhood education programs, and continues to lead the way with over 120 services and programs in NSW, Victoria, and the ACT, including preschool, kindergarten, long day care, family and early intervention programs, and allied health services. In addition, KU is contracted by the Australian Government to provide support for eligible ECE services for the inclusion of children with additional needs. This includes the Inclusion Development Fund (IDF) and Inclusion Agencies in NSW/ACT and QLD and contracted in VIC.

KU's vision is to lead and inspire young children's learning for life. Our achievements in the NQS Quality Ratings to date, far exceed the national average, with all assessed services rated as Meeting or Exceeding the National Quality Standard. Such is KU's experience, expertise, and reputation, that we are often requested to provide specialist advice to other providers, peak bodies, the corporate sector, and all levels of Government.

INTRODUCTION

KU Children's Services (KU) appreciates the opportunity to comment on the Independent Market Monitoring Review (IMMR) methodology paper. This review is crucial for identifying key barriers to the provision of high-quality early childhood education and care (ECEC) in NSW and informing the Childcare and Economic Opportunity Fund (CEOF) on matters of availability and affordability. Data-driven decisions are needed to ensure equitable access and improve educational outcomes for children. We welcome the more explicit consideration of workforce and quality measures.

A child-centred approach is needed. Tensions can arise between the goals of workforce participation and children's right to early childhood education. The CEOF is tasked with addressing the complexity of optimising both. Making ECEC more affordable and accessible, requires an equitable supply with a qualified and expanded ECEC workforce. Focussing on participation in high-quality ECEC, especially for those with increased vulnerability, can be a crucial protective factor for children and families. As a child safe organisation, children's safety and wellbeing is our primary concern, and we would like these dimensions strengthened in the methodology. Simply increasing the number of services to meet demand is not sufficient. The focus must be on ensuring that services are of high quality, with key performance indicators (KPIs) foregrounding children's safety, learning, and developmental outcomes.

DIMENSIONS, KPIS AND INDICATORS

Are the dimensions in Table 2.1 appropriate and at the right level of detail? If not, what improvements could be made?

KU supports the proposed dimensions (location, service type, ages of children, provider type, and priority groups) set out in Table 2.1 for reviewing aspects of ECEC in NSW. The identified data sources will provide relevant insights for analysis.

Understanding changes in sector provision, including expansion of NSW Department of Education preschools, is essential to explain sector composition. To more accurately reflect the diversity of provider types, greater distinction could be made for size (small, medium, and large) and management structure e.g. Independent and Catholic Schools, Local Government, Aboriginal Community Controlled Organisations (ACCO).

There continues to be an increase of children with additional support needs attending ECEC. Clarity of definition is needed in the priority groups. It is positive to see the inclusion of children with specific health or medical needs, but it is not clear if children without a formal diagnosis are included. This is significant, as many children are on waiting lists for assessment or may not meet the diagnostic threshold in their younger years for a formal diagnosis and may therefore go undetected in the data. This may need to be sourced from stakeholders. It would also be illuminating to ask providers about the added supports they offer or enable e.g. allied health services, trauma informed and autism specific practice, health and development checks.

The National Disability Data Asset (NDDA), Inclusion Support Program (ISP), and NSW Disability and Inclusion Program (DIP) may offer statistical information.

Changes to the Child Care Subsidy Minister's Rules allow Outside School Hours Care (OSHC) services to provide care to preschool aged children either side of preschool sessions. Previously, OSHC services provided care primarily to school aged children. The IMMR could include the percentage of OSHC services that are providing care to children under school age. Clear distinction is needed between school age and prior to school age cohorts. It is important to differentiate children of compulsory school age that are attending prior to school settings. Children with additional support needs may request exemption to school commencement and on occasion KU has experienced schools requesting children return to the preschool setting after transitioning to school.

Are there any additional data sources or data gaps that we should consider? If so, what are they and how can any data access barriers be overcome?

KU supports the focus on service types in scope of the National Quality Framework for a comprehensive sector review. However, in such a diverse ECEC sector, broad conclusions need to be avoided where there are significantly different operational contexts, such as those in centre-based, home-based, and school-aged services.

While, generally described as small, services out of scope of the NQF should be considered as an incredibly important part of the service provision landscape. In Home Care, for example is a service type providing flexible ECEC in the family's home where there are non-standard or variable work, geographic isolation, or complex needs. The IHC Support Agency in NSW will have relevant information. Community Child Care Fund Restricted (CCCFR) services provide services to communities experiencing disadvantage and vulnerability in remote areas. Data may be available through the ECY Regulatory Project Team within the Australian Department of Education.

Government funding is widely recognised as essential for the procurement, structuring, and provision of community services. Understanding its impact on service availability, accessibility, and quality is crucial. The funding landscape must be presented cohesively to illustrate sector impacts effectively.

SUPPLY SHORTAGES

How should a supply shortage of ECEC services be defined? Are there other measures that we should consider? For example, considering government targets for ECEC enrolment.

KU supports the identification of ECEC supply and demand for targeted policy and planning, with additional considerations to validate estimates of undersupply, including government targets for enrolment.

Market dynamics do not guarantee equitable supply or quality ECEC. We need to stop positioning ECEC as a market-based model and consider it a fundamental part of the early childhood education and safeguarding system.

The Report on Government Services highlights children from key equity groups continue to under-represented.¹ Research suggests that the first three years are crucial because children are on an uneven playing field even before they are enrolled in preschool.²

Governments are increasingly focusing on 'childcare deserts' where there is undersupply. Insufficient attention is given to areas of oversupply that can undermine the sector's viability. Enhanced coordination and planning are essential, as market forces alone often result in an oversupply of underutilised services. Frequently, inadequate strategic planning leads to increased competition, threatening the viability of both existing and new providers. Data about current planning and approvals may help to validate estimates of undersupply and growth. Relevant information may include current or planned ECEC services from varied sources including development and service approval applications, obtained from the Minister of Local Government, NSW Regulatory Authority, or Geographic Information System e.g. GapMaps.

Consideration may be needed for services that intentionally operate below their full capacity. In some cases, this may be due to staff availability, or fluctuating demand, and the ratio of offered places to approved places might show a lower utilisation. A higher utilisation rate however may not be viable due to specific ratios and room sizes, where employing additional educators would substantially increase fees making them unaffordable for families.

What is your feedback on the proposed KPIs and indicators for ECEC supply in Table 2.2?

KU supports KPIs for reducing undersupply (S1), increasing the supply of quality ECEC in NSW (S2), increasing participation of children in areas of identified need (AC1), including regional and remote areas (AC4), and with identified priorities (AC2).

The proposed indicators in Table 2.2 offer visibility into supply issues. However, a demand-supply ratio of 1:1 within specific geographic areas would only indicate undersupply if all families wanted to use available ECEC services. ECEC provision and participation are complex, and it is important not to oversimplify assumptions based on per capita data. A ratio of demand to supply is more appropriate at any given time but requires additional projection data, such as population projections from the NSW Department of Planning. Assumptions about days of attendance need to be factored. The IMMR could provide a greater account of the varying full-time equivalent enrolment rates of children of different ages.

The Mitchell Institute's categorisation of childcare deserts, being more than three children per place, is useful for mapping exercises, especially in rural and remote areas, and can help identify potential shortages.³ Understanding demand is crucial to address the 'postcode lottery,' where areas with low demand fail to attract providers, and to tackle gaps in regulatory planning and infrastructure.

AFFORDABILITY AND ACCESSIBILITY BARRIERS

What is your feedback on the proposed KPIs and indicators for ECEC affordability barriers in Table 2.3?

Understanding out-of-pocket costs and their impact on different priority groups is crucial, especially in economically and socially disadvantaged areas. Assessing affordability as a percentage of household income can offer comparisons but is limited if not adjusted for household size and composition. Other measures should be considered alongside NSW Treasury's work.

Hours worked per year by parents (A2) may indicate increased parental workforce participation, but the causal relationship with affordability and accessibility need to be clearer within the methodology.

Children living in economically disadvantaged households may not live in areas of concentrated disadvantage but are often located in geographically isolated regional or remote areas, or urban outskirts with limited community resources and job opportunities. All children should have equal education and care opportunities regardless of their background or circumstances.

What is your feedback on the proposed KPIs and indicators for ECEC accessibility barriers in Table 2.4?

KU strongly supports the additional indicator for ACCO-led services as an indicator of cultural responsiveness.

We agree with retaining the indicator of children attending for 15 hours per week in the two years before school (AC3) and recommend an indicator be added to identify the proportion of children attending 3 days per week. The Productivity Commission's *Inquiry into Early Childhood Education and Care* report recommended universal access to 30 hours per week of high-quality ECEC by 2036⁴ and this would offer a good baseline for the *Three Day Guarantee*.

IPART noted caution in interpreting data where children are enrolled in more than one service as it overstates the proportion of population enrolled. This is the same for children in non-regional and remote areas. Also, some children may attend more than one service e.g. two days preschool and one or more days in LDC/FDC. This could be indicative of affordability and accessibility barriers because of funding and priority of access guidelines.

KU strongly supports the KPI of increased participation in services by children from households of identified priority (AC2). Families with complex needs and entrenched disadvantage can encounter multiple barriers to accessing services. These barriers can be practical, social, and cultural, leading to those who would benefit the most often missing out. Understanding how caring responsibilities impact families and how the availability and affordability of ECEC affects their workforce participation is crucial.

Attendances across the Birth-5 cohort have increased but the number of children under one year of age has dropped substantially⁵ which may be related to birth rates, parental

preferences, or potentially the cost-of-living issues and may need investigation. The hours of attendance and the proportion of children enrolled across service types would be revealing if able to access.

Further datasets may be available through the Australian Department of Education, for example Person Level Integrated Data Asset (PLIDA) and Education, Australian Census and Temporary Entrants Integrated Dataset (ACTEID), Skills and Employment National Data Asset (ESENDNA), or the Australian Census Longitudinal Dataset (ACLD).⁶

WORKFORCE, PAY AND CONDITIONS

What is your feedback on the proposed KPIs and indicators for ECEC workforce, pay and conditions in Table 2.5?

KU supports the proposed indicators and stakeholder engagement where data cannot be otherwise sourced. We value attempts to access existing data and identify gaps for future collection improvements.

ECEC roles are complex and demanding and have been undervalued, underpaid, and poorly supported, leading to workforce shortages. Research by the Front Project found that improved workforce conditions are consistently linked to higher quality, better outcomes for children through consistent staffing, stronger educator-child relationships, and higher-quality learning environments.⁷

The IMMR should consider the fluctuating wages landscape. There have been numerous workforce-related initiatives implemented by the Australian Government that aim to support a highly skilled and professionally recognised ECEC workforce, such as the gender-based undervaluation review, professional development subsidy, paid practicum subsidy, exchange opportunities, and Fee-Free TAFE. While the Multi-Employer Bargaining and Worker Retention Payment initiatives are welcomed to support increased wages, the exclusion of preschools exacerbates pay inequities within the sector, including those that already exist among teachers in community based and public preschool and schools. This places potential pressure on providers where subsidies do not continue beyond 2026 and risks further staffing losses.

Understanding pay in relation to awards is an important dimension. The proportion of teachers and educators employed under the *Children's Services Award 2010*, *Educational Services (Teachers) Award 2020*, enterprise agreement, or supported bargaining agreement would offer further insight into wage structures and variations.

In addition to employment related waivers, other workforce indicators could be the number of teachers and educators employed as working towards a qualification, and reductions in employment vacancy data in addition to the time taken to fill those vacancies (W6). The length of time a waiver is in place should be looked at. Similarly, the amount of time that educators are actively working towards a qualification. Pathways are important to the workforce pipeline, but progress ensures a skilled and qualified workforce.

Understanding if there is a correlation between waivers and child safety and wellbeing incidents would be valuable.

We agree with the KPI to increase educators meeting needs of priority groups (W4). This could include employment of educators with relevant cultural and language backgrounds as well as appropriate training. It may be difficult to gather data on professional development programs attended by educators, though course content and professional learning in areas related to diversity, inclusion, and cultural responsiveness might offer insight into the level of expertise within the workforce and preparedness of early career teachers and educators. By collecting and analysing this data, the IMMR may gain more understanding of how ECEC course content and professional learning are addressing the needs of diverse populations. Ongoing review of courses and monitoring of training providers is essential so that students acquire the skills and knowledge they need to meet the nuanced demands of working with children and families.

Feedback from families and communities that are part of priority groups, may provide insights into how well ECEC services are meeting their needs and whether training is effective. NQS ratings for elements of the educational program (1.1.2) and collaborative partnerships with families and communities (6.1.2) may offer added evidence. The Productivity Commission, Australian Competition and Consumer Commission (ACCC), Fair Work Commission and NSW Department of Education, ACECQA, and Jobs and Skills Australia are reliable sources though may be limited by aggregated or restricted data access. Other data sources include the National Workforce Census, and Report on Government Services (ROGS).

Understanding how skilled migration and student visa rules impact workforce shortages may be revealing. ABS Migrant Data Matrices and Migrant Settlement Outcomes data may be limited by publication at national level and Settlement Data from the Australian Department of Home Affairs may have shortcomings as data capture is only for those granted a permanent visa. While out of scope of the NQF, the Adult Migrant English Program (AMEP) provides childcare for families accessing English Language tuition, and Skills for Education and Employment (SEE) datasets may also offer further insight into this cohort.

There have been changes to casual employment laws through the Closing Loopholes Acts.⁸ It is important to understand how this has may have unintentionally impacted contractual employment, especially for educators on contracts to support children with additional needs. Support funding arrangements currently do not easily enable ECEC providers to permanently employ support staff that are essential to inclusive education. By not allowing providers to match employment of additional staffing to inclusion support initiatives has meant providers have needed to bridge the financial gap to enable inclusion practices. An indication of educators employed beyond ratio may be telling but may require stakeholder engagement and qualitative assessment.

Commissioned by the ACT Education Directorate, on behalf of the Education Ministers Meeting (EMM), the *Early Childhood Education and Care Pay and Conditions: Interim Report* provides analysis of the workforce context, including demand, supply, retention, and workforce relations.⁹ This and subsequent reports may offer valuable data and insights to inform and enhance the IMMR process.

QUALITY STANDARDS

What is your feedback on the proposed KPIs and indicators for ECEC quality standards in Table 2.7?

While quality services incur costs, fees alone don't indicate quality. Higher prices may reflect higher quality but using price as an indicator can be misleading. Quality is multifaceted, and while there may be some coalescence in the data, price alone does not provide a nuanced view of service quality.

The pedagogical skills of teachers and educators is inextricably linked to service quality. Both structural and process aspects are influenced by what teachers and educators plan and implement in the curriculum. Teachers and educators need additional skills and knowledge to provide inclusive, culturally safe, and responsive education and care for children and families. ECEC services working to support families facing vulnerability, require teachers and educators with high levels of communication, reflective and professional skill to support the interdisciplinary work that supports families.

KU agrees with retaining the proportion of permanent educators and qualified staff as a KPI. We support adding a KPI to understand educator experience. However, the indicator should be stated as teachers and educators. A more granular understanding of teachers and educators with experience under 5 years would be beneficial.

Clarity is needed about segments of the workforce with no qualifications. If this represents non-educator roles e.g. admin, cook, cleaner, maintenance, then it would be better to only report on those in child-related work and those working towards a qualification as a stronger indication of workforce growth.

Low quality ECEC can have negative impacts on children's learning and development. Australian Education Research Organisation (AERO) has reported that children in services rated Exceeding NQS or Excellent had lower rates of developmental vulnerability compared to children in services rated Meeting NQS, Working Towards NQS, or Significant Improvement Required.¹⁰ KU supports use of NQS data as a quality indicator. While the overall quality rating provides a good measure of quality, it is broad, and examining the ratings for each quality area would provide a more nuanced understanding for quality support. This data is accessible from the National Quality Agenda IT System.

KU strongly supports additional KPIs showing the length of time since a service was last assessed and the percentage of services experiencing a reduction in their quality rating. Since October 2023, the use of partial assessment and rating has increased with assessment of 2 or 4 quality areas instead of all 7.

The rating for quality areas not assessed is maintained to form the new overall rating. Each quality area is crucial for providing a holistic view of the service's quality and may not fully reflect the service's current overall quality. An additional indicator for the percentage of services experiencing a full or partial assessment would offer valuable insight.

To ensure quality and safety, it is essential to steward long-term solutions for supply and workforce issues. The NSW Regulatory Authority's Continuous Improvement Team may offer understandings for estimating the cost of uplift in services that are not meeting the NQS. Regulation 55 requires services to develop a quality improvement plan within 3 months of the service's approval being granted and review it at least annually or when directed by the Regulatory Authority. Expectations could be established that services not yet assessed or not meeting NQS engage in this program and submit their NSW Self-Assessment Working Document on the Self-Assessment and Quality Improvement Planning Portal.

Greater investment is needed in safeguarding children's safety and wellbeing. A KPI could be the reduction of serious incidents that are a result of a compliance breach and might be measured by regulatory enforcement reports. Additional Child Care Subsidy (ACCS) may also be an indicator of children at risk as a priority cohort in LDC settings.

KU has a longstanding commitment to the inclusion of children with diverse and complex needs, and we strongly advocate for enhanced access and support. High-quality services create pathways to intervention. Integrated service models, early childhood intervention, allied health, and wrap around supports can reduce service fragmentation and further empower children and families to participate fully. Acceptability is an important factor in families' participation decisions.¹¹ Understanding the characteristics of services that inclusively engage children and families is crucial for ensuring that all children benefit from high-quality ECEC. Data may be sourced from Brighter Beginnings, Inclusion Support Program, NSW Sector Capacity Program, and Disability Inclusion Program, particularly from Strategic Inclusion Plan and Service Profile information collected.

The Australian Early Development Census (AEDC) is a measure of developmental vulnerability and an important measure of educational need. The 2025 AEDC results for NSW have highlighted some concerning trends. The data shows a decline in the number of children on track in all five domains compared to previous years. This decline is particularly noticeable among children from disadvantaged backgrounds, Aboriginal and Torres Strait Islander children, children from families speaking a language other than English, and children in rural and remote areas. Increased investment in quality ECEC and targeted support are needed to address these issues, as well as strategies to increase service participation. Health and development checks completed in services for example, are only available for enrolled children and will not reach families not participating in services or unable to access them.

Children's perspectives can provide unique insights when meaningfully involved in matters that concern them. The IMMR could employ child-centred methodologies to represent children's views, like the consultation undertaken with children in support of the development of the Early Years Strategy and to inform the Productivity Commission inquiry into ECEC.¹²

COST CATEGORIES

Are the cost categories that we propose to estimate costs for appropriate? If not, why not and what alternative cost categories do you suggest?

KU agrees with the administrative costs proposed for meeting the objective of the CEOF. We agree that the cost of initiatives and programs funded by the CEOF may offer a good indication. However, they should be evaluated for outcomes and impact to determine if they represent effective use of resources.

Including the 15% wage increase, CPI, and operational costs will add to a more accurate cost model for new and expanding services. The Australian Government's Early Education Service Delivery Price (SDP) project aims to provide accurate understanding of the true and reasonable cost of providing quality ECEC, including where costs vary by cohort and location. Knowledge may be leveraged about the methodology of this project and data-driven understandings about the costs of quality ECEC service provision and the additional costs associated with higher needs cohorts.¹³ Accounting for diverse service provision helps explain pricing variations, such as the cost of services for children and families with additional support needs. While data may not be available currently there may be insights that can be applied to the methodology.

The ACCC found that ECEC fees are rising faster than inflation and wage growth, outpacing the Consumer Price Index (CPI) and Wage Price Index (WPI).¹⁴ This is due to the qualification and labour-intensive nature and operational expenses of services. The ACCC inquiry revealed that parents typically seek services priced near the average rate, ensuring they receive good value for money in terms of quality. As a result, prices tend to be consistent within local areas, though they can vary significantly between different regions.

The funding model should be considered a key measure when evaluating service costs because of the direct impact to financial resources available. Variations in funding levels can lead to fluctuations in service quality, accessibility, and affordability. Examining government funding across different programs might illuminate the diverse financial landscape that affects service delivery and costs. Of note are Start Strong funding calculations and changes to the Child Care Subsidy (CCS) Activity Test from January 2026.

Investment goes beyond securing a place in ECEC. Any costings for future reforms or daily price caps must be at adequate levels for a sustainable, high-quality, and inclusive sector response. Cost variations in different regions and service types must also be recognised. Determining the most suitable model and the appropriate level of investment for the identified communities is essential to align with the Early Years Strategy. Integrated and inclusive early learning models, such as holistic or ACCO-led models, have the potential to support the most vulnerable children and families.¹⁵ Flexible and tailored solutions that are place-based and responsive to differing family needs is essential.

KU is recognised for its strong commitment to the inclusion of children with disability and additional support needs. Inclusive practices are vital to ensuring that every child has access to appropriate education and care.

A significant increase in enrolments of children with additional support needs and children displaying challenging behaviour have been experienced following COVID-19. Additional investment is needed to address the shortfall in support educator costs, and the model of support needs to be predictable and reliable to enable services to plan ahead for children and staffing arrangements.

OTHER COMMENTS

To increase equitable and universal access in underserved areas, capital and operational assistance is required. The Building Early Learning Places Program, funded by the CEOF, provided capital grants for new builds, extensions, and renovations to expand ECEC places for children with the greatest immediate need. An objective of the program was to generate evidence to guide future capital initiatives, which should be addressed by the IMMR. Evaluation of other programs funded under the CEOF, such as Flexible Initiatives Trial, Business Capability Development Program, Fee Relief for 3 Year Olds, may offer insights for the IMMR.

Careful planning, robust management practices, and maintaining a focus on maintaining high standards is essential. The Department of Planning, Industry and Environment is silent on maximum approval numbers, noting matters need to be considered.¹⁶ Risks need to be assessed in the context of the service approval. Another consideration is whether large scale services can meet staffing, compliance, and quality requirements, and if evidence supports the development of these services. Large services that meet space and staff requirements may not always be optimal for children and families. With a focus on growth, understanding the impact of scale, particularly for services that exceed 100 approved places is worthy of research and guidance for providers and the Regulatory Authority.

A focus on quality can lead to better outcomes for children and increased satisfaction among families. Proposed introduction of an Independent Regulator may have administrative implications for providers with new processes, additional training, and guidance. KU supports increased powers of the regulator to enforce compliance with safety and quality standards and improved mandatory publication of safety and performance records for transparency and accountability. This could form a KPI with comparative measure at next IMMR.

IN SUMMARY

Maintaining safety and quality and building trust and confidence in the NSW ECEC sector is essential. A high-quality ECEC sector requires adequate supply, predictable and sufficient funding, and a stable, qualified, and skilled workforce. It should enable children's access, at least three days per week, with costs not being a barrier for families. Services must be inclusive, responsive, and locally connected. Incentivising the growth of NFP and quality providers is essential. The sector should be sustainable, easy to navigate, and provide equitable and high-quality education and care.

Government policy aims to provide universal ECEC to enhance children's engagement and support workforce participation. However, this does not ensure that all families can access high-quality services. The IMMR plays a crucial role in informing the NSW Government about the barriers to and progress towards achieving this goal. Insights gained from the ECEC sector, and family and community consultations should guide government investment and reform, so that every child receives the highest standard of education and care.

There have been many reviews and inquiries that offer insights into the ECEC system and ensure a comprehensive understanding of the regulatory landscape. System stewardship is needed to transform the sector from a market-based model to a universal system with shared responsibilities by all levels of government to address supply, equity, and quality.

Thank you for the opportunity to comment on the IMMR methodology. We welcome further discussion on subjects raised in this submission.

If you require more information, please contact [REDACTED].

-
- ¹ [Report on Government Services 2005: 3 early childhood education and care](#)
- ² Tham, M., Leung, C., Hurley, P., Pilcher, S., and Prokofieva, M. (2025). [Unequal from the start: The achievement gap and the early years](#). Mitchell Institute, Victoria University
- ³ Hurley, P., Matthews, H., and Pennicuik, S. (2022). [Deserts and oases: How accessible is childcare?](#) Mitchell Institute, Victoria University
- ⁴ Productivity Commission (2024). [A path to universal early childhood education and care](#), Inquiry report no. 106, Vol. 1, Canberra
- ⁵ [Report on Government Services 2025: 3 early childhood education and care](#)
- ⁶ [Integrated Data Research - Department of Education, Australian Government](#)
- ⁷ The Front Project (2025). [The Hidden Lever: How pay and conditions support child outcomes in low SES early childhood education and care services](#)
- ⁸ [The Closing Loopholes Acts – what’s changing](#)
- ⁹ Degotardi, S., Cumming, T., Thornthwaite, L., Mitchell, R., Sinha, K., Gu, J., & Brand, N. (2023). [Early childhood education and care pay and conditions: interim report](#). Macquarie University
- ¹⁰ Rankin, P., Staton, S., Jones, A., Potia, A. H., Houen, S., Healey, B., and Thorpe, K. (2024). [Linking quality and child development in early childhood education and care: Technical report](#). Australian Education Research Organisation
- ¹¹ Skattebol, J., Adamson E., and Blaxland, M. (2023). [Serving families who face economic and related adversities: the ‘5 As’ of effective ECEC service delivery](#)
- ¹² The Front Project and Creche and Kindergarten Association (2024). [This is a sun cake, and if we eat it we can shine like the sun](#)
- ¹³ Australian Department of Education (2024). [Early Education Service Delivery Price](#)
- ¹⁴ Australian Competition and Consumer Commission (2023). [Childcare inquiry interim report 2023](#)
- ¹⁵ Social Ventures Australia, Deloitte Access Economics, and Mitchell Institute, Victoria University (2025). [Targeting investment where it counts: Identifying communities for priority investment in integrated early learning models](#)
- ¹⁶ Department of Planning, Industry and Environment (2021). [Child care planning guideline](#)