

MEDIA RELEASE – 10 APRIL 2017

Childcare Oversupply is Real

The [Australian Childcare Alliance \(ACA\) NSW has made a submission](#) to the NSW Government in response to NSW Planning's release of a *Draft State Environmental Planning Policy (SEPP) (Educational Establishments and Child Care Facilities) 2017*. Intended to speed up development applications that appeared to take a median range up to 53 calendar weeks (according to the then NSW Planning Minister, the Hon Rob Stokes MP), the proposed SEPP can instead accelerate childcare oversupply.

“We are currently addressing real concerns across Greater Sydney, Newcastle and Wollongong where childcare oversupply is already occurring and is negatively affecting existing childcare services’ operational sustainability, and therefore putting at risk educational standards for children,” said Lyn Connolly, President of the Australian Childcare Alliance (ACA) NSW.

ACA NSW’s submission to NSW Planning has already identified 16 and another 12 local government areas that show evidences of childcare oversupply and have signs of potential oversupply respectively. ACA NSW will further engage with the NSW and Federal Governments, legislators and the general public about the reality and consequences of childcare oversupply.

Mrs Connolly said, “even assuming we accept the already excessive number of childcare places in Greater Sydney, Newcastle and Wollongong, which ACA NSW would not, there are still so many childcare places already in the pipeline for the next 3 years that will far exceed the projected need based on far too many councils’ Residential Development Strategies’ population growth projections over the next 14 years.”

Hundreds of angry private and community-based childcare service providers at ACA NSW hosted meetings were comprehensively upset about the lack of proper planning regulations and the absence of awareness nor understanding from the NSW Parliament and Commonwealth Parliament about the plight of small business family-based owners of childcare services.

“Why is it that aged care services, pharmacies, lottery agents and schools have their respective government supported or accepted planning regimes that regulate where they can and cannot operate, yet childcare services run by mum-and-dad type small businesses are exposed to market forces, large corporations and foreign investors,” demanded Mrs Connolly.

“As already occurring in many suburbs, towns and cities where there are childcare services closing, we fear that this will happen more after the implementation of this SEPP. The real losers are the children who will be shunted from centre to centre, small family-run childcare services will close, forcing families towards corporate childcare,” said Mrs Connolly.

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Australian Childcare Alliance New South Wales is the peak body for privately owned early childhood education and care services in NSW, numbering approximately 1,600 long daycare services and supporting over 100,000 families. ACA NSW provides advocacy, policy and regulatory support and advice, member services and professional development for members across the state.

**For further media inquiries,
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