

MEDIA RELEASE – 20 MARCH 2019

NEW GOVERNMENT CHALLENGED TO FIX CHRONIC CHILDCARE SUPPLY ISSUES

SYDNEY: New South Wales’ peak body for privately-owned early childhood education and care providers, the Australian Childcare Alliance (ACA) NSW, has called on the new NSW Government to fix the supply issues within the sector as a matter of urgency.

“We have a triple whammy situation at the moment where fees are going up, parents are missing out and childcare operators are losing out,” said Chiang Lim, CEO of ACA NSW.

“Childcare oversupply and undersupply are rife across Australia. Fees are increasing, yet the current NSW State Government, which regulates approvals, will not take any responsibility over supply,”

[Independent analysis](#) published by Urban Economics in December 2018 revealed that the nett increase of centres being approved and built was approximately 2-3 times the estimated number of new centres needed in the same year to meet future demand. In addition, the Federal Department of Education and Training’s [Early Childhood and Child Care in Summary](#) reports yet again confirmed that vacancies in long daycare increased for a sixth consecutive year.

Reported Daily Vacancies in Long Daycare Centres (March Quarter) (Source: [Federal Government](#))

	2013	2014	2015	2016	2017	2018
Average Number of Vacancies	80,630	92,340	98,510	110,510	122,570	145,907
%age of Centres Reporting with Vacancies	86%	90%	91%	91%	93%	94%

ACA NSW can also confirm through two Freedom of Information applications that despite assurances, the [NSW Government](#) and the [Federal Government](#) have not discussed oversupply or supply and demand issues during official meetings.

“We even have the exasperating situation where the NSW Department of Education approved a new childcare centre next to an existing 6-star Sydney brothel despite the brothel owner’s objections. Worse, that suburb already had an oversupply of childcare places,” said Mr Lim. The then [new childcare centre](#) is on the corner of Clarendon Street and Dickson Avenue at Artarmon, and the [brothel](#) is on Clarendon Street.

In August 2017, the NSW Government also implemented the *State Environmental Planning Policy (Educational Establishments and Child Care Facilities)*. This law effectively removed all powers from local councils except for on-site car parking. Since then, Hornsby Shire Council, The Hills Shire Council, North Sydney Council, Cumberland Council and City of Parramatta Council have [all expressed their frustrations](#) about how new childcare services are being approved in inappropriate locations.

“Given that there are two elections this year, voters are looking for governments which can make sensible decisions to solve their everyday problems. They are not interested in the blame game. Young parents and childcare service providers just want common-sense solutions especially when market-forces fail,” said Mr Lim.

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Australian Childcare Alliance (ACA) NSW (www.nsw.childcarealliance.org.au) is the peak body for privately owned early childhood education and care services in NSW, numbering approximately 1,600 childcare services, employing over 25,000 staff and supporting over 125,000 families. ACA NSW provides advocacy, policy and regulatory and business support and advice, member services and professional development for members and their staff across the state.

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