

## MEDIA RELEASE – 7 MARCH 2023

### 500 NEW PRESCHOOLS ON SCHOOL GROUNDS CAN REDUCE 6,000-8,000 PLACES FOR CHILDREN 0-2 YEARS OLD

“The NSW Coalition’s election promise to build 500 new preschools on school grounds could be at the expense of 6,000 to 8,000 places for children 0-2 years old,” said Mr Chiang Lim, CEO of the Australian Childcare Alliance (ACA) NSW.

“This can have a disastrous knock-on effect to the employment and days of work for working parents, especially mothers, of 6,000 to 8,000 babies to toddlers, not to mention their negative impact on the NSW economy,” said Mr Lim.

Existing NSW-based preschools that are already part of a school have an average of 39 places for children. Based on NSW Regulations [123](#) and [272](#), at least 4 educators will be required for each of these new preschools, of which one would be a degree-qualified early childhood teacher.

“A re-elected NSW Coalition Government will therefore need to recruit up to 2,000 educators and teachers from somewhere. And given the already worsening labour shortages, we are extremely concerned that they will recruit them mainly from existing long daycare services, in turn reducing especially the number of places for children 0-2 years old, and ultimately undermine fee affordability for all other parents,” said Mr Lim.

Since January 2012, there are 3,421 long daycare services already legally required to provide preschool education to children. They are also 777 standalone preschools. Both are in addition to the existing 154 preschools that are part of a school.

But unlike long daycare services that typically operate from 7.30 am to 6 pm for 50 of the 52 weeks in the year, preschools tend to operate from 9 am to 3 pm for 40 weeks of the year.

“The supply of qualified educators and teachers must be governments’ highest priority for all children aged 0-5 years old. Otherwise, such new initiatives will negatively be at the expense of parents with children 0-2 years olds,” said Mr Lim.

The NSW Parliament had passed [new legislation](#) in October 2022 to formally determine where genuine demand are and would be. But its associated board and its commissioned person have not yet even met nor been appointed respectively to even begin preparing the legally required market monitoring report.

“Determining the locations of these 500 preschools without advice from the NSW Government’s own independent body also can create the repeat the lose-lose effect of [oversupply and fee inflation](#) as experienced during 2017-2019,” said Mr Lim.

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ACA NSW ([www.nsw.childcarealliance.org.au](http://www.nsw.childcarealliance.org.au)) is the peak body for privately owned early childhood education and care services in NSW, numbering over 1,600 services. ACA NSW provides advocacy, policy, regulatory and business support and advice, member services and professional development for members and their staff.

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