Resolution of Council

26 October 2026

Item 13.3

Early Childhood Education and Care - Advocacy for National and State Reform

Moved by Councillor Maxwell, seconded by Councillor Thompson -

It is resolved that:

(A) Council note:

(i) that in September 2024, the Productivity Commission's report, A path to universal early childhood education and care, recommended a nationally significant reform agenda, including that every child aged 0–5 have access to at least 3 days a week of high-quality early childhood education and care regardless of parental work status, that the Child Care Subsidy be reformed to improve affordability, and that an independent national body be established to steward the system

(ii) that the Australian Government has since implemented the 3-Day Guarantee (from January 2026), removing the activity test for the first 72 hours of subsidised care per fortnight, alongside a 15%wage increase for early childhood educators and a package of child safety reforms

(iii) that the Australian Government, in response to the Productivity Commission's recommendation, is exploring the establishment of a national Early Education and Care Commission, with a Working Group and time-limited expert panel due to report to Education Ministers at their meeting on 21 October 2026, and that no reform of the Child Care Subsidy toward a funding model that reflects the actual cost of delivering care, varying by the age of the child, has yet been implemented or costed

(iv) the findings of the NSW Legislative Council's Portfolio Committee No. 3 inquiry into the early childhood education and care sector (Report 55, tabled 20 May 2026), including that large for-profit providers are, in general, of lower quality and less safe than not-for-profit, government and community-run services, that private-equity-backed services have no place in the sector, and that the current funding model does not reflect the true cost of delivering high-quality care

(v) that the NSW Government's response to that inquiry (received 20 August 2026) committed to a new Universal Preschool Funding program from 2027, fully funding the operating costs of eligible not-for-profit preschools based on actual staffing, ratios and award costs, but confined this reform to preschool services, leaving long day care services, including centre-based services, outside its scope; and separately supported calling on the Australian Government to fully investigate alternative funding models, including direct funding, fee caps and profit caps

(B) Council further note:

(i) that the NSW Government noted, but did not support, the inquiry's recommendation that it develop a policy to shift the overall composition of the sector toward not-for-profit, government and community provision

(ii) that local government, despite its roles as landlord, planning authority and, in some cases, direct provider of early childhood education and care, is not named among the stakeholder groups (service providers, unions, peak bodies) publicly identified as part of the Commonwealth's consultation on the design of the proposed Early Education and Care Commission

(C) the Lord Mayor be requested to:

(i) write to the Federal Minister for Education, the Minister for Early Childhood Education, and the NSW Minister for Early Learning, advocating that local government as a sector, as landlords, planning authorities and, in some cases, direct providers of early childhood education and care, be given a formal consultation role in the design and establishment of the proposed national Early Education and Care Commission

(ii) separately, and regardless of the outcome of (i), write to the same Ministers setting out Council's own position that: the Commission should be given genuine authority over service planning, supply and location decisions rather than a purely advisory or monitoring role; that the funding reform NSW has committed to for not-for-profit preschools, namely full, cost-reflective operating funding conditional on quality, should be extended to not-for-profit long day care services; and that the Australian Government should progress, as a matter of priority, its investigation into alternative funding models, including direct funding, fee caps and profit caps, as a genuine alternative to the current demand-side Child Care Subsidy model

(iii) write to the Australian Local Government Association and Local Government NSW seeking confirmation of whether either body currently has a role in the Early Education and Care Commission's design consultation; and, if not that they formally seek one on behalf of the local government sector, and inviting them to consider adopting the positions set out in (ii) as part of their own advocacy

(D) the Chief Executive Officer be requested to make submissions to the design of the Early Education and Care Commission and related national and state reform processes as opportunities arise.

Carried unanimously.

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