Creating a more dynamic and resilient economy inquiry

Questionnaire response 67

Name: The Front Project

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1. Support business investment through corporate tax reform

1. What features of the Australian business environment have encouraged or restrained investment over the past 10 years?

The participant did not respond to this question.

2. What elements of the corporate tax system encourage and/or discourage investment and risk-taking?

The participant did not respond to this question.

3. Which parts of the corporate tax system do you find the hardest, or most time or cost-intensive to comply with? How could the compliance burden of the business/company tax system be reduced?

The participant did not respond to this question.

2. Reduce the impact of regulation on business dynamism

1. What areas of regulation do you see as enhancing business dynamism and resilience? What are the reasons for your answer?

In the early childhood education and care (ECEC) sector, regulation plays a vital role in safeguarding children, maintaining service quality, and supporting public trust. The National Quality Framework (NQF) establishes essential minimum standards around safety, educator qualifications, ratios, and learning environments — all of which are foundational to a healthy and resilient sector. These regulations enhance business dynamism when they are clear, consistently applied, and proportionate, allowing providers to focus on delivering quality education while maintaining accountability. However, complexity and inconsistency in implementation can impose excessive administrative burdens, especially on smaller providers, and distract from direct work with children.

Crucially, government regulation should not operate in isolation from its role as funder and market steward. In ECEC, public funding — particularly through the Child Care Subsidy — directly shapes provider behaviour, market dynamics, and access. Yet policy impact processes (such as Regulatory Impact Statements) often fail to assess how funding levers can be used to complement or even replace regulatory mechanisms. For example, current subsidy settings can unintentionally disincentivise quality by prioritising high occupancy over workforce capability. A more dynamic and resilient ECEC sector would be supported by a combined approach: targeted funding that rewards quality, incentivises inclusion, and supports thin markets; digital tools that ease compliance; and systemic workforce investments like national career frameworks and region-specific training pipelines. True regulatory effectiveness comes not just from rules, but from how governments shape the market, enable providers, and steward long-term system improvement.

2. How has your regulatory burden changed over time?

   In the ECEC sector, the regulatory burden has increased over time, both in volume and complexity. While many of these changes have been introduced with the right intent — to strengthen child safety, improve quality, and ensure accountability — the cumulative effect has been significant, particularly for small and community-based providers. Each new layer of compliance often comes with new documentation, reporting systems, or procedural requirements, which require time and resources that are already stretched. The burden is especially acute when regulations are introduced without adequate implementation support, training, or alignment with existing systems.

   What has changed most is not just the number of regulations, but the administrative and interpretive load placed on providers. Inconsistent enforcement across jurisdictions, overlapping reporting requirements, and the need to self-navigate complex grant or compliance systems all contribute to this load. Rather than supporting quality, this often risks pulling leaders and educators away from the core work of engaging with children and families. To improve outcomes and resilience, we need a shift in approach — one that balances regulation with practical tools, smarter digital systems, and funding incentives that drive quality improvement rather than compliance for its own sake.

3. What regulations do you find time-consuming, overly complex or otherwise constraining business dynamism and resilience? What are the reasons for your answer?

   In the ECEC sector, several regulations and compliance processes are overly time-consuming, administratively heavy, or duplicative, limiting the capacity of services to focus on quality improvement, innovation, and workforce retention. One of the most cited challenges is the increasing complexity of child safety-related documentation and reporting requirements, especially where state-based child protection frameworks overlap inconsistently with national obligations under the National Quality Framework (NQF). This creates confusion and administrative duplication, particularly for providers operating across jurisdictions.

   Another key area is regulatory audits and assessment processes, which can be unpredictable, inconsistent in interpretation, and overly focused on procedural compliance rather than outcomes for children. Services often spend excessive time preparing documentation for regulatory assessment and rating — diverting time and leadership focus away from pedagogy, team development, and family engagement. Similarly, the navigation of funding compliance systems (e.g. for the Child Care Subsidy or grant programs like the Inclusion Support Program) is burdensome, especially for smaller providers without dedicated administrative teams. These systems often lack integration or user-friendly tools, meaning that regulatory compliance becomes a full-time task rather than a quality lever.

   Ultimately, regulation is essential in ECEC, but it needs to be supported by clear guidance, consistent interpretation, streamlined digital tools, and non-regulatory strategies (like funding and workforce incentives) that promote quality and resilience without adding unnecessary load. The current system often asks the same providers to operate as educators, administrators, and compliance officers — which is unsustainable in a sector already under significant pressure.

4. Can you share any specific examples of where you think a regulator has done a good or bad job of understanding and reducing regulatory burden on businesses and why?