

12 September 2025

Productivity Commission

UNICEF Australia submission on the Delivering Quality Care More Efficiently Interim Report

UNICEF Australia welcomes the opportunity to provide a submission on the Productivity Commission's Interim Report, *Delivering quality care more efficiently*. Guided by the United Nations Convention on the Rights of the Child (CRC) and informed by UNICEF's work in over 190 countries improving the lives of children, we bring a unique lens to care economy reform - one that is centred on equity, safety, and universal access for children and families.

We strongly support the inquiry's objective to improve outcomes and efficiency across the care economy. In the early childhood education and care (ECEC) sector specifically, we recommend embedding a child-rights and child-safety lens across all reforms while accelerating the shift to universal, high-quality, inclusive early learning. This approach is essential to ensure every child has the best start in life, consistent with Australia's commitments under the CRC and with the Productivity Commission's own findings in the 2024 inquiry into *A path to universal early childhood education and care*.

The case for universal, high-quality and safe ECEC

High-quality, universally accessible early childhood education and care is one of the most powerful investments in Australia's future. The Productivity Commission's own report sets a clear direction: *every child aged 0–5 should be able to access at least 30 hours (three days) of high-quality ECEC per week*, with priority action to remove affordability barriers for low-income families.¹ UNICEF Australia has consistently supported this roadmap and welcomed the Australian Government's commitments to this vision - abolishing the restrictive activity test and guaranteeing a three-day subsidised ECEC entitlement for all families from 2026.² Yet many communities continue to face significant shortages in service availability – known as “childcare deserts” – where demand far outstrips supply, particularly in regional, remote and low-income areas.

Responding effectively to these challenges requires tailored strategies that address both service gaps and the underlying inequities driving them. Crucially, expanding access must go hand-in-hand with maintaining high standards of quality and safety in ECEC environments. Recent reports have exposed unacceptable child safeguarding failures in parts of the sector, underscoring the need for child safety to be a paramount priority in ECEC reforms - embedded into every aspect of service delivery and regulation.

Aligning quality and safety regulation across the care economy

UNICEF Australia supports the Productivity Commission calls for better alignment of quality and safety regulations across all care services - including developing unified national standards for screening care workers

¹ Productivity Commission. (2024). Early childhood education and care: Inquiry report (Report No. 106, Vol. 1). Australian Government. Available at <https://www.pc.gov.au/inquiries/completed/childhood/report/childhood-volume1-report.pdf>

² Department of Education. (2024). Building Early Education Fund Guidelines. Australian Government. Available at <https://www.education.gov.au>

and assessing provider suitability - where it lifts and does not level down protections for children in ECEC. Alignment should be pursued in a way that strengthens the highest child-safety standards nationally. Our key recommendations in this area include:

1. Adopt a National Approach to Working With Children Checks (WWCC)

Any new screening clearance must meet the rigorous standards of existing WWCC regimes that protect children. We urge governments to implement a truly national WWCC system with consistent eligibility criteria, renewal periods, and disqualification thresholds across all jurisdictions. This would ensure no child ‘falls through the cracks’ due to weaker checks in one state or sector. A single cross-sector worker clearance should not dilute the safeguards that have been built into WWCC processes for childcare – instead, it should apply those high standards uniformly to all care workers without exception.

2. Develop a nationally consistent regulatory framework

Nationally consistent regulations that span all care settings and include explicit child-safety requirements are essential to not compromise on critical protections for children. This could include creating common benchmarks for provider licensing, compliance indicators (including child safeguarding metrics), incident reporting and data sharing between regulators in different sectors. Unified standards, backed by independent monitoring will improve transparency and accountability system wide.

3. Establish an Early Years Commission

An independent oversight mechanism, focused on children’s wellbeing in early learning, would ensure that as regulations align across sectors, the unique needs of children are given focused attention and no safety issue is lost among broader health or aged care concerns. Notably, the Productivity Commission’s own 2024 ECEC report and a recent Victorian review have recommended establishing such a commission. This body would monitor and enforce compliance with child safety requirements, conduct audits and investigations, and drive continuous improvement in safety practices.

While an Early Years Commission’s remit would be specific to ECEC, it could play a complementary role alongside broader sector-wide reforms – for example, by advising how early childhood services are integrated into place-based commissioning initiatives, and by championing early childhood priorities within a National Prevention Framework. In this way, an Early Years Commission would inject a strong child-focused lens into wider care economy changes, ensuring that the drive for integration and efficiency never comes at the expense of children’s safety or rights.

Collaborative commissioning and place-based integration

UNICEF Australia supports the shift towards place-based collaborative commissioning recommended in the interim report as a new way for governments to co-design, procure and evaluate services with and for local communities. This approach treats care services as inter-connected and community-centered, rather than segmented by funding source - a principle that is highly applicable to early childhood services which often intersect with health, education, and social supports.

Including ECEC as a core element of collaborative commissioning efforts is essential. Early childhood development is fundamental to community well-being, yet access barriers disproportionately affect children who stand to benefit the most - including those in low-income families, regional and remote areas and

Aboriginal and Torres Strait Islander communities.³ Integrating ECEC into local care planning would recognise that improving early childhood outcomes (like school readiness and health) is fundamental to community well-being and reduces downstream demand on health and social systems. We also note that collaborative commissioning model can facilitate investment in prevention at the community level by pooling resources around early interventions.

Recognising ECEC in a National Prevention Investment Framework

UNICEF Australia endorses the establishment of a National Prevention Investment Framework if high quality early childhood education and care is explicitly recognised as a flagship prevention strategy within this framework. Early intervention is one of the most impactful forms of prevention. High quality ECEC not only supports children's cognitive and social development, but brings about cascading benefits including better school readiness, higher educational attainment, improved lifetime earnings, reduced likelihood of involvement with the justice system, and better health outcomes.⁴ In terms of societal payoff, investing in accessible early learning for children experiencing disadvantage has been shown to significantly reduce later expenditures on remedial education, welfare and healthcare.⁵ For these reasons, early childhood education should be a central pillar of any prevention agenda and can work hand in hand with place-based service integration. Many preventive initiatives for children ultimately need to be delivered in community settings – by funding proven early childhood interventions and linking them with local collaborative commissioning networks, governments can ensure prevention dollars achieve maximum impact for children and families most in need.

Concluding remarks

UNICEF Australia commends the Productivity Commission's focus on making Australia's care systems safer, more integrated, and more effective for all who rely on them. We are encouraged that the interim report's draft recommendations seek to break down silos and put quality outcomes at the centre of reform. The three major reform directions identified – regulatory alignment, collaborative commissioning, and a national prevention framework – offer important benefits for children if progressed with child rights and child safety at the forefront. Combining child-safe regulatory alignment with sequenced universal access and targeted investments in early childhood, Australia can truly deliver on the promise that every child learns, is safe, and thrives in their earliest years. UNICEF Australia would welcome the opportunity to work with the Productivity Commission as it refines the recommendations for their final report.

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³ UNICEF Australia. (2023). Submission to the Productivity Commission Inquiry into Early Childhood Education and Care. Available at <https://www.unicef.org.au/policy-submissions>

⁴ OECD. (2025). Reducing inequalities by investing in early childhood education and care. OECD Publishing. Available at <https://doi.org/10.1787/b78f8b25-en>

⁵ Productivity Commission. (2024). Quality early care and education is a right for every child. Available at <https://www.pc.gov.au/media-speeches/articles/quality-early-care>