

Productivity Commission Early Childhood Education and Care Inquiry 2023

Submission by Glenn Fischer

Having spent some time as a financial consultant to a sizeable and growing Early Childcare provider, I believe it is time for a rethink.

As a society we have moved on from the days when early childcare was an innovation. The cost of living today demands that both parents work and therefore need to place their offspring into childcare. It is as universal as primary school.

So why has the government-based education system not yet expanded to incorporate this important area of education?

The financial benefits are obvious:

1. The considerable profitability of childcare operators would be removed, having a significant downward impact on the cost of childcare for parents.
2. Through the establishment of childcare facilities within existing public school properties, rent, a significant cost of childcare providers, would be removed, having a further significant downward impact on the cost of childcare for parents.
3. The cost of provisioning and maintaining childcare centres could be reduced by the significant savings commonly obtained from bulk purchasing, which government contracts could secure. Again, this would contribute further to a reduction in the cost of providing childcare facilities.
4. Finally, it would overcome the absorption by childcare operators of increases to government support payments to parents.

Whilst there will of course be an initial investment required by government to expand public school facilities to accommodate this initiative, it is a long-term investment which could be funded by the government redirecting support payments to parents and reducing fees charged (if any) accordingly.

The non-financial benefits would include:

- a. making childcare universally available;
- b. consistency in the education programs delivered to all children;

- c. the increased convenience for families with multiple children being able to collect all of their children from the one location – not speeding between the primary school location and that of the childcare facility; and
- d. a way to potentially attract early childhood educators, particularly males, by providing a learning pathway for them to progress to primary school teachers.

It is time to recognise that society has changed forever and adopt a new expanded approach to the provision of early childcare in the most logical, simple, effective, convenient and cost effective way.