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Childcare and Early Childhood Learning  
Productivity Commission  
By email: [childcare@pc.gov.au](mailto:childcare@pc.gov.au)

Dear Productivity Commission,

**Re: Productivity Commission Inquiry into Childcare and Early Childhood Learning**

I appreciate the opportunity to provide the following submission to the Productivity Commission Inquiry into Childcare and Early Childhood Learning.

I write to you as a Councillor on the City of Sydney Council and to draw your attention to the following areas of concerns.

The City of Sydney local government area (LGA) is currently experiencing a significant demographic change with a greater number of families choosing to settle in the inner-city. According to figures from the 2006 and 2011 census, there was a 17% increase in the number of children aged 0-4 living in the LGA, rising from 5,194 in 2006, to 6067 in 2011. Over the same time period, there was a 2% increase in the number of children aged 5-9 living in the LGA, rising from 3,165 in 2006 to 3,242 in 2011.

Further, in the provision of childcare and early childhood education places, the City of Sydney has identified a gap of 3,104 places which are required to be created in order to meet the current demand for childcare in the LGA. The City's research forecasts that this gap will rise to 5,976 by 2031.

The City of Sydney is at the heart of a demographic swing that will see greater and greater numbers of children living in inner-city suburbs compared to previous generations.

This sharp increase in the number of young children requiring childcare and early childhood education has resulted in increased demand for places in the inner-city, restricting availability of places in childcare and early childhood education centres and impacting upon the capacity for parents to return to work.

In my experience as a Councillor, I have heard from a number of residents in the City of Sydney who have been prevented from returning to work due to the unavailability of childcare and early childhood education places in the area. A skilled workforce and a productive economy relies upon making sure that skilled workers are able to work, and this requires the provision of childcare and early childhood education so that parents can return to work when they want to.

It is my strong view that significant government intervention is required in the provision of childcare and early childhood education services. In 2012, the City of Sydney committed to fund the construction of six new childcare and early childhood education centres at a cost of \$55 million in order to provide more childcare and early childhood education spaces for local parents in the LGA. Whilst this is a welcome development for the parents in the inner-city, it will not be close enough to meet the forecasted growth in the demand for childcare into the future.

It is my view that decisive action will be required from Federal, State, and Local governments in order to increase the availability of places, however this priority must not compromise existing standards or negatively impact upon the quality of childcare and early childhood education. To this end, all current quality standards should be maintained as minimums for Australian childcare and early childhood education.

Ideally, childcare and early childhood education should be offered in co-location with schools or other educational facilities. Creating a “one-stop-drop” with new childcare spaces allows for the opportunity to reduce transport and commuting times for parents as well as having them return to work earlier. The City of Sydney is directing a significant amount of funds to the provision of new childcare services and the creation of new childcare places in the LGA, and there is opportunity for the State Government to strategically plan for all new schools to include space for the provision of early education and care, and fund the retrofitting of existing schools to accommodate childcare services. However, both these activities would need to be supported by significant capital investment from the Federal Government to achieve this aim. There is scope for initiatives such as this to be conducted in partnership with local councils.

In terms of the Commonwealth, the Federal Government should also allow for flexibility in the provision of the childcare rebate to be nominated by parents to be collectively pooled and provided directly to Councils to better support universal provision of early education and care for those in our most disadvantaged communities, such as the free before and after school care services currently provided by the City of Sydney in Woolloomooloo.

Thank you for the opportunity to comment on this Inquiry.

I look forward to the report of the Productivity Commission.

Yours sincerely,

**Councillor Linda Scott**  
Labor Councillor  
City of Sydney

Date: 03/02/14