



## PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

**Referred by:** Australian Labor Party      **Proposal No:** C1588  
**Date Referred:** 8/3/23      **Date Published:** 20/03/2023  
**Proposal Title:** Childcare workforce initiatives  
**Cluster:** Education

### General Government Sector Impacts

	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	-	-	-	-
Depreciation					-
Less: Offsets					-
Revenue					-
<b>Net Operating Balance:</b>	-	-	-	-	-

Capital Expenditure	-	-	-	-	-
Capital Offsets					
<b>Net Capital Expenditure:</b>	-	-	-	-	-

<b>Net Lending/(Borrowing):</b>	-	-	-	-	-
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### Total State Sector Impacts

<b>Net Lending/(Borrowing):</b>	-	-	-	-	-
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### Notes and costing assumptions:

This policy proposes to provide \$22 million over the forward estimates to fund the following childcare workforce initiatives:

- scholarships to existing workers to upgrade their qualifications to diploma or bachelor degree level
- creation of a \$10 million professional development fund to address burnout and boost workforce retention, and,
- a \$3 million research study to assess early childhood education and care delivery models and improve early learning outcomes.

The policy proposes the \$22 million to fund these initiatives come from existing provisions in the Childcare and Economic Opportunity Fund under the existing Affordable and Accessible Childcare policy. The proposed spending profile across the forward estimates is outlined at Table 2 below.

NSW Treasury has advised the capital provision for the CEOF is centrally provisioned and unallocated for specific use. The total provision held is \$775 million over for forward estimates and

**Notes and costing assumptions continued:**

\$4.2 billion beyond the forward estimates. The funding profile for these provisions is at Table 1 below.

There is sufficient funding available within these provisions to cover the proposed initiatives under this policy and the PBO assumes funds can be used for this purpose. As such, the policy will have nil impact on the State Budget.

Table 1: Provisioning profile of the Childcare and Economic Opportunity Fund (CEOF)

<b>\$ '000</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2026-26</b>	<b>Total</b>
Central provision (Treasury)	100,000	270,000	405,000	<b>775,000</b>

Table 2: Funding profile for childcare workforce initiatives

<b>\$ '000</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2026-26</b>	<b>Total</b>
Profile	5,000	8,000	9,000	<b>22,000</b>