

Media release



14 August 2026

Preschool funding cuts terrible news for children and working families across NSW

The NSW State Government has been warned today that proposed funding cuts will impact around two thirds of all families whose children are in preschool.

The plan to slash \$150M in funding from the state's preschool sector will cement NSW's place as the lowest spending state on preschool in the country.

"Like other not for profit providers of quality preschool, we're shocked that the State Government is proposing to slash this vital funding – especially given it's the game changer for quality preschool for almost two thirds of all preschool children in NSW," Goodstart Early Learning's CEO Dr Ros Baxter said.

"The vast majority of families with three and four year old children rely on convenient, family-friendly preschool programs in quality long day care services like the 163 Goodstart provides across NSW to ensure their children have the learning and development they need as they prepare for school – while also allowing parents to work.

"That's particularly important as the cost of living continues to place pressure on family budgets.

"At the same time early learning services are also facing increasing pressure with wages, food, rent and the cost of educational and other resources costs continuing to rise while the Federal Government's fee cap means fees aren't keeping pace with increases in costs.

"Along with other concerned high quality not-for profit providers, we have written to the Deputy Premier to raise our concerns about the impact this cut would have.

"This funding is spent on ensuring we provide high quality preschool, supporting our teachers, and providing the educational resources they need to improve children's learning and development.

"We're requesting a rethink on this cut to a program that has been vital to supporting preschool provision following the recent NSW Parliamentary Inquiry which found that the availability of high-quality early childhood education and care should not be dictated by postcode or income.

"We will still need to provide the teaching and resource support this money currently pays for. The funding gap it will create will be paid for by children and the 63 percent of families who rely on long day care to provide preschool for their children.

"These cuts were developed without any consultation with the sector or consideration of what the impact will be on programs, educators, children or families. That is very disappointing."



Media release (continued)

"We support the Government's plan to increase funding to community preschools to match teachers' and educators' wages in public schools, but it makes little sense to slash funding to preschool programs in long day care services which are already educating most NSW children.

"Community preschools and school-based preschools are great, but many families tell us cost of living pressures mean they need to work more than a couple of short days each week, so long day care preschool is vital."

"Our message to the Deputy Premier, on behalf of the families who need us and the educators and teachers who work with their children, is to please reconsider these cuts.

"We urge the Government to work with the sector to develop a funding model that protects quality preschool for every child, regardless of whether they attend a community preschool or long day care and ensures that next year's preschoolers are not left behind."



For more information contact media manager Rachel Espiner on 0429 553 103 or media@goodstart.org.au.

Notes for editors

Goodstart Early Learning is Australia's largest early learning provider with 661 centres nationwide. We're a not-for-profit social enterprise committed to improving the lives of Australia's children and their families. For more information, visit goodstart.org.au.

Acknowledgement of country

Goodstart acknowledges all Traditional Custodians across Australia and recognises First Nations peoples' continued cultural and spiritual connection to the land, sky and waterways that surround us. We pay our respects to Elders past, present and emerging.