



# **ELACCA submission to Senate Committee inquiry into the quality and safety of Australia's early childhood education and care system**



The Early Learning and Care Council of Australia welcomes the opportunity to provide a submission to the Senate Committee's inquiry into quality and safety in the early childhood education and care (ECEC) sector

## About ELACCA

The Early Learning and Care Council of Australia (ELACCA) was established to promote the value of quality ECEC as an integral part of Australia's education system. Our 17 CEO members include some of the largest early learning providers in the country, representing both not-for-profit and for-profit services.

ELACCA members operate 2,019 long day care services, 298 preschool/kindergarten services and 70 OSHC services, covering every state and territory. They offer one-quarter of all the long day care places in Australia. Together, our members serve 356,339 children and their families, and employ more than 57,382 staff.

As well as promoting the value of quality early learning and the need for greater public investment, ELACCA advocates for the right of all children to access quality ECEC, particularly children facing disadvantage. We do this by drawing on the knowledge and practical experience of our members and representing their views to decision makers in government, the media and the public.

## Strategic context

ELACCA and its members are committed to quality ECEC for all children, regardless of where they live, or their family circumstances. There is nothing more important than the safety and wellbeing of children. We are collectively driven by a zero-tolerance approach to child harm, in all its forms.

As large providers of ECEC services, ELACCA members are uniquely positioned to lead in embedding child safety improvements at scale. We support the outcomes of the August 2025 Education Ministers Meeting<sup>1</sup> and we look forward to engaging with governments to ensure that legislative, policy and regulatory changes are impactful, feasible, and aligned with high-quality service delivery across Australia. Strong engagement and consultation with the sector is required to ensure any unintended outcomes of these reforms are mitigated.

ELACCA strongly supports Australia's internationally renowned National Quality Framework (NQF), which has the guiding principle that 'The rights and best interests of the child are paramount'.<sup>2</sup> The multi-layered, multi-jurisdictional approach of the NQF combines legislation, national standards, mandatory reporting and continuous oversight. This is a complex system, reflecting the many participants and stakeholders in the delivery of ECEC services. While this complexity can be challenging, we caution against any kneejerk responses that would undermine the NQF.

The NQF has demonstrated its capacity for change over time. The Framework, including the National Quality Standard, undergoes regular review, producing updated regulations and best-practice guidance to early learning services. This is a collective process, offering high quality and safety to every child in Australia. While individual states and territories may be able to move *faster* outside the collective environment, they will not necessarily do *better* – and they risk atomising and weakening the NQF system by 'going it alone'.

ELACCA will continue working with all governments to identify and implement ways to further strengthen the NQF, including supporting recommendations from the recent *Review of Child Safety Arrangements under the NQF*.

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<sup>1</sup> Department of Education (Australia). (2025). Education Ministers Meeting Communique, 22 August 2025. <https://www.education.gov.au/education-ministers-meeting/resources/education-ministers-meeting-communique-august-2025>

<sup>2</sup> Australian Children's Education and Care Quality Authority. (2018). Guide to the National Quality Framework. Last updated September 2025. <https://www.acecqa.gov.au/sites/default/files/2025-09/Guide-to-the-NQF-250901.pdf>

## Response to Terms of Reference provided by the Committee

The quality and safety of Australia's early childhood education and care system, with particular reference to:

### 1. The health and safety of children in childcare services across the country;

ELACCA welcomed the package of child safety reforms announced by Australia's Education Ministers on 22 August 2025. These improvements to system infrastructure and regulatory practice, combined with investment in educator training, will strengthen our collective capacity to prevent harm to children. While these reforms are welcome, they need to be accompanied by additional effort in one critical area: a move to national consistency whenever possible.

We commend jurisdictions collaborating – at pace – on impactful reforms to:

- Make children's best interests the paramount consideration under the National Law;
- Mandate national child safety training and educator registration;
- Enhance transparency through proactive information-sharing;
- Fast-track a national legislative reform process (led by Victoria) by end-2025.

We note that some of the changes announced in August 2025 go beyond the scope of the National Child Safety Review Decision Regulation Impact Statement (DRIS), and were therefore not subject to the DRIS consultation process. This includes the trebling of maximum fines for educators, which could deter (good) people from entering the ECEC workforce. ELACCA would like to see the additional changes announced by Ministers referred to a new consultation process with ECEC providers, to ensure we avoid any unintended consequences.

Like many others in our sector, ELACCA has long advocated for a single, national Working With Vulnerable People Check. We also continue to call for a national reportable conduct scheme. There is no reasonable excuse for permitting the current inconsistencies across jurisdictions to continue. Risk thrives in situations of ambiguity.

### 2. The effectiveness of Australia's childcare regulatory system, including the performance and resourcing of state and territory regulators and the Australian Children's Education and Care Quality Authority, in maintaining and improving quality;

ELACCA and its members support the existing regulatory framework, including the NQF, as the best mechanism for ensuring consistent standards of safety, quality, and accountability across the sector. The current system does require additional investment, coordination and clarity – but it provides a very solid foundation for good performance, for the benefit of children and families.

#### The need for greater consistency, capability and shared vision

As part of its inquiry into early childhood education and care in 2023-24, the Productivity Commission conducted an extensive review of regulatory and policy systems, and made clear findings on the strengths and limitations of these systems.

While the NQF Framework and the National Law provide a robust regulatory standard and powers for regulating quality and safety, application of the NQF has been undermined by inconsistency and underfunding. The Productivity Commission highlighted the problems – including gaps, duplication and inconsistency – that stem from poor coordination of the ECEC system across jurisdictions:

'While not uncommon, having multiple levels of government responsible for the funding, regulation and policy leadership of a particular service or policy area introduces challenges that are not present in services that involve only a single government. Even if the responsibilities of different levels of government are clear in principle, **without the use of strong coordination mechanisms there is fertile ground for problems to arise** that affect those who engage with the service [...] Such

problems are symptoms of inadequate governance arrangements and administrative approaches, and are common in the ECEC sector.<sup>3</sup>

In its inquiry report, the Productivity Commission advocated for better coordination, a shared vision and system stewardship among the nine national, state and territory governments. This included the following recommendations:

- Increased transparency in the operation of state and territory regulators (Recommendation 8.1)
- An independent review of the NQF, 'to enable regulators to incorporate feedback from ECEC providers as well as new findings from research' (Recommendation 8.2)
- More funding for state and territory regulators, provided by the Australian Government (Recommendation 8.3).<sup>4</sup>

ELACCA welcomed the outcome from EMM in August to increase funding of regulatory authorities across jurisdictions.

ELACCA endorses the Productivity Commission's findings and recommendations. In our view, it remains deeply regrettable that, in 2018, the Australian Government scrapped the National Partnership Agreement (NPA) for the National Quality Agenda for Early Childhood Education and Care. At the time, one state Education Minister warned that, 'This major funding cut could lead to a significant reduction in regulatory activity across the country [and] risks letting unscrupulous operators back in the door'.<sup>5</sup>

The objectives of the former NPA remain highly relevant today, including the joint commitment by all governments to,

'deliver an **integrated and unified** national system for early childhood education and care and OSHC, which is jointly governed and which drives **continuous improvement in the quality of services**'.<sup>6</sup>

In its inquiry, the Productivity Commission addressed the urgent need for a new national agreement between all nine governments, to ensure quality in the ECEC system. The Commission proposed that the new agreement be built around the National Vision for Early Childhood Education and Care. While the National Vision remains in draft form (more than two years after its release), the Commission was confident that it contains the necessary breadth and clarity to anchor a new national agreement.<sup>7</sup> The Commission urged all governments to commence negotiations immediately, so that a new national agreement could be implemented in 2026.

We encourage the Committee to review the Productivity Commission's detailed analysis of the regulatory system for ECEC, and to endorse the Commission's recommendations to strengthen quality and safety.

### **3. Early learning providers' compliance with quality standards and legislative requirements, including compliance with workplace laws and regulations;**

Together with all approved providers of ECEC, ELACCA members operate in a highly regulated environment, subject to licensing, quality assessment and regulation. In addition, as medium- and large-sized operators,

<sup>3</sup> Productivity Commission. (2024). A path to universal early childhood education and care. Inquiry report no. 106 – Volume 2, Supporting papers. Canberra: Productivity Commission. p. 592; emphasis added.

<sup>4</sup> Productivity Commission. (2024). A path to universal early childhood education and care. Inquiry report no. 106 – Volume 1. Canberra: Productivity Commission.

<sup>5</sup> Parliament of Victoria (2018). Hansard. Answer to Question on Notice, Hon. Jenny Mikakos, published 17 Sept 2018, <https://www.parliament.vic.gov.au/490781/globalassets/house-paper-documents/house-paper-3171/560-7-june-2018-nos-14513-14539.pdf>

<sup>6</sup> Council of Australian Governments. (n.d.). National Partnership Agreement for the National Quality Agenda for Early Childhood Education and Care. [https://www.acecqa.gov.au/sites/default/files/acecqa/files/NQF/nap\\_national\\_quality\\_agenda\\_early\\_childhood\\_education\\_care\\_signature\\_2.pdf](https://www.acecqa.gov.au/sites/default/files/acecqa/files/NQF/nap_national_quality_agenda_early_childhood_education_care_signature_2.pdf) p. 7; emphasis added.

<sup>7</sup> Department of Education (Australia). (2023). A National Vision for Early Childhood Education and Care – Draft for consultation, <https://www.education.gov.au/download/15796/draft-national-vision-early-childhood-education-and-care/31860/document/pdf>

ELACCA members have developed internal quality systems to help them track and improve their performance.

ELACCA supports a regulatory system in which:

- Child safety is the paramount consideration
- Approved providers – including all their staff – have a clear understanding of standards and regulations
- Educators feel supported and empowered to act in the best interests of children
- High-quality pedagogy underpins the standards
- Innovation and customisation – including educational programs that are specific to places and communities – are encouraged.

As mentioned earlier in this submission, inconsistency remains a weakness in the regulatory system. For approved providers operating in more than one jurisdiction, inconsistencies across the states and territories complicate the task of regulatory compliance. The work involved in interpreting the differences, and ongoing changes, between state and territory regulatory systems is time-consuming and often frustrating, drawing internal resources away from other tasks. We urge the Committee to address this issue.

ELACCA also recommends reviewing how current workplace laws interact with legislation (both existing and proposed) for child safety. We suggest a collaborative approach – involving the Fair Work Ombudsman, regulators, ECEC sector representatives, unions and police – to develop guidance on how to respond when allegations are made against ECEC staff, particularly regarding procedural fairness requirements under the Fair Work Act.

#### **4. The impact of childcare providers' employment practices on quality and safety;**

The single biggest contributor to high quality in ECEC services is the education and training of early childhood educators and teachers.<sup>8</sup> A skilled, knowledgeable, and stable workforce is essential for supporting children's learning and development.

The most powerful means of protecting children from 'bad actors' in the workforce is to erect every possible obstacle to recruiting them. It is therefore vital that the new national educator register includes the necessary types of information accessible to providers, and level of detail, to assess the suitability of educators – including so-called 'red flags' or potential risky behaviour, which may not have triggered formal investigative processes or findings.

In the new regulatory environment, ECEC services will need clear guidelines, informed by research and best practice, to support strong recruitment practices. As a starting point, ELACCA suggests that these practices should include the following elements:

- A face-to-face interview (not online or via phone), with a panel of interviewers, whenever candidates are located within a reasonable distance
- A minimum number of questions at interview regarding child safeguarding, to examine a candidate's awareness of child safety culture and practices. (Employers may benefit from a standardised tool to help them make this assessment.)

The staff induction process is also an important safeguarding measure, to ensure that child-safe practices and child-safe culture remain strong across the organisation. A national induction program could be developed in consultation with providers, to ensure staff understand their role and responsibilities as best they can upon commencing in their role.

Recruiting qualified, skilled teachers and educators is not enough. How teachers and educators are deployed in a centre-based service is critical for safety. Educator-to-child ratios (and therefore supervision arrangements) vary by age group and service type, and by state and territory.<sup>9</sup> The ratios are designed to

<sup>8</sup> Pascoe, S & Brennan, D. (2017). *Lifting our Game*, pp. 62-63.

<sup>9</sup> Australian Government. (2024). *The Future of the Early Childhood Education Profession: Early Childhood Education and Care Workforce Capacity Study*. Canberra, Jobs and Skills Australia, p. 40.

ensure both quality and safety. There is a range of views on applying the 'four eyes' principle in ECEC services – that is, ensuring that two adults are within line of sight of each child, at all times. There are some concerns about the feasibility of this in services, in addition to resourcing implications. A 'four eyes' principle would require the employment of additional staff – exacerbating the shortage of educators and imposing higher costs on providers.

ELACCA recognises that the 'four eyes' principle may support a very high standard of child safety. Providers could be strongly encouraged (and perhaps incentivised) to pursue a 'four eyes' approach. However, the question of mandating the 'four eyes' principle requires further investigation, because it would require additional investment by Government, and it would have workforce implications. Investigation of this policy option should also include the role of innovation in pursuing the principle, which could include, for example, some use of CCTV and modifications to the built environment.

A comprehensive study of educators in high-quality services found that key contributing factors include: strong organisational support; good leadership; and investment in professional development and learning. Researchers recommended that policymakers and employers 'provide the conditions in the workplace for educators to have sustained time to fully engage in and with their work', including through non-contact time, room meetings, paid attendance at staff meetings and flexibility.<sup>10</sup> For this reason, ELACCA develops and delivers professional learning programs for its members, including: ITE (Initial Teacher Education) Boost, supporting diploma-qualified educators upskill to a bachelor degree; and From the Ground Up, a leadership program developed and delivered with Queensland University of Technology.

Providers currently fund non-contact time for professional development, programming and planning from their fee revenue. To improve quality and safety may require further investment in non-contact time, including to support educators to undertake mandatory child safety training and to deepen centre teams' work on quality improvement and pedagogy. With fees capped under the Worker Retention Payment scheme, it will be challenging to fund these measures. ELACCA encourages the Australian Government to directly support the cost of mandatory child safety training for all providers. We will continue to urge that the full cost of quality and safety improvement are understood and considered by the Service Delivery Price project to inform future funding decisions.

## 5. The role of worker compensation and pay on childcare quality and safety;

It is vital that the ECEC sector attains the highly valued, appropriately remunerated and highly skilled workforce it needs to deliver high-quality ECEC. Appropriate remuneration for the ECEC workforce is the highest priority across our sector, because pay is the primary factor in workforce attrition.

The Albanese Government's Worker Retention Payment (WRP) is an important and welcome first step in achieving lasting change. The WRP has contributed to a substantial reduction in educator vacancies across our members, helping to stabilise the workforce after the turmoil of COVID. Workforce stability is a crucial pre-condition for building a culture that enhances child safety and service quality.

The WRP grants expire at the end of 2026. ELACCA urges the Committee to recommend an extension of the funding beyond 2026, covering the full additional cost of wage increases flowing from the gender-based undervaluation review of the Children's Services Award.

Beyond this, ELACCA would like to see further Government investment to ensure the ECEC workforce achieves fully-funded pay parity with the school sector, and, for the first time, ongoing government investment in wages to enable the building and maintenance of a skilled and high-quality workforce.

To support ongoing reform, the Government should also fund the Department of Education to improve the efficiency of the WRP system, including building an electronic payment system for the WRP, based on actual financial data.

<sup>10</sup> Gibson, M., Press, F., Harrison, L., Wong, S., Cumming, T., Ryan, S., Crisp, K., Richardson, S., Gibbs, L., Cooke, M., & Brown, J. (2023). Shining a light on early childhood educators' work. A report from the Australian study Exemplary Early Childhood Educators at Work: A multi-level investigation. Queensland University of Technology.



## **6. The role of private for-profit incentives and their impact on childcare quality and safety;**

ELACCA and its members support an ECEC sector that is safe, child-oriented, and focused on quality uplift of the workforce and its services.

Regardless of their ownership or governance structure, ELACCA advocates that approved providers must demonstrate the paramountcy principle, and that governments should be equipped with the funding and quality compliance levers to oversee the current market environment.

## **7. Transparency within the early childhood education and care system, including access to information and data;**

ELACCA supports transparency and accountability through nationally consistent collection, evaluation and publication of meaningful, reliable data relating to all ECEC services.

Transparency is central to public confidence in the quality and safety of Australia's ECEC system. While ACECQA provides valuable national data on service quality and ratings under the NQF, public access to broader, timely, and integrated data remains limited. Current reporting is limited in its ability to connect quality outcomes with other critical datasets – such as regulatory enforcement and compliance actions, serious incident and child-safety notifications, or workforce characteristics, including educator qualifications, tenure, and workplace history.

These data are dispersed across multiple custodians and across jurisdictions, each with differing legislative interpretations, reporting obligations, and publication practices. As a result, families, educators, providers and policymakers cannot form a complete, trusted, or up-to-date picture of how quality and safety interact across the system.

Future data frameworks and portals must deliver nationally consistent, multi-layered information that is accessible, reliable, and meaningful to different users – from families seeking reassurance about their safety of their child in a selected service, to employers monitoring workforce capability and professionalism, to regulators and policymakers analysing system trends. Greater visibility of educator qualifications, tenure, and professional standing (while protecting individual privacy) would help build a culture of accountability and professional pride, and empower services, parents, and regulators to safeguard children more effectively.

Such reforms would also strengthen the workforce, through clearer expectations, targeted professional development, and more robust safeguards that protect educators, families, and children alike. Ultimately, transparency efforts across quality, compliance, safety, and workforce data should be designed with children at their centre – ensuring that every improvement in data collection, publication, and accessibility contributes to their safety, inclusivity, and learning outcomes, and builds public trust in the sector's capacity to deliver on these goals.

ELACCA recommends that reforms in the area of data and information transparency include the following:

- Full commitment by governments to the NQF, with appropriate resourcing for each jurisdictional Regulatory Authority to meet required assessment and rating cycles (three-yearly at a minimum, and annually for services rated Working Towards the NQS or lower).
- Additional funding to enable regular joint moderation between Regulatory Authorities and ACECQA, and Authorised Officers receive enhanced training, including qualifications in ECEC, and awareness of unconscious bias (to ensure consistent application of regulations).
- Improved public communication of rating outcomes, incidents, and enforcement actions, to build community confidence — clearly explaining event severity and ensuring timely updates.
- Collaboration with high-quality providers to model and promote a strong reporting culture, reinforcing that transparent data-sharing is a safeguard for children and a cornerstone of sector professionalism.

Importantly, data transparency will only be effective if end users (families) understand both content and context. At the moment, datasets on breaches and actions in ECEC services are highly aggregated, and do not highlight the matters that truly put children at risk. For example, a child being transported in an

ambulance, due to an asthma attack, is listed in the same category as a child who has fallen from a height, with no provision of soft fall. These are qualitatively different events, and published reporting should make this clear.

## **8. The suitability and flexibility of the funding of early education and care across Australia;**

The Productivity Commission examined the funding of ECEC in great detail during its 2023-24 inquiry. The Commission identified seven key 'design principles', or objectives, for a fit-for-purpose funding system in Australia:

- equity (or inclusivity)
- affordability
- quality
- accessibility (or availability)
- simplicity
- efficiency
- integrity.

The Commission found that reform to the CCS system is necessary to help attain these objectives. The Commission recommended to the Australian Government that it 'focus on delivering improvements to the existing funding architecture', to improve its efficiency and effectiveness, and expand supply-side funding to support accessibility and inclusion.<sup>11</sup> (Volume 2 p. 566).

ELACCA has endorsed the Productivity Commission's vision for funding reform, and commends it to the Committee.

Currently, ELACCA is working to inform the Australian Government's Early Education Service Delivery Price (SDP) project, which is seeking to develop an understanding of the reasonable costs of quality ECEC service delivery. Given its potential implications for service quality, it is imperative that the SDP project 'gets it right'. To put it simply (but accurately), underfunding ECEC services would be disastrous for child safety and service quality, and service viability.

ELACCA recommends that the Australian Government continues to consult closely with the ECEC sector, particularly providers and peak bodies like ELACCA, on the SDP project, to ensure the true cost of high-quality services is understood.

There is also an urgent need for Inclusion Support Program funding to be addressed – this is to ensure that children with additional needs can be appropriately cared for in ECEC settings, and to substantially improve the safety outcomes for these children. This is discussed in greater detail further in the submission at point 10 on the following page.

## **9. The choice of care options available to parents and families; and**

ELACCA represents members who provide, primarily, long day care and preschool/kindergarten services. However, we acknowledge the importance of choice for families, and the need for different models of ECEC to support all children and families. Nonetheless, we consider that that central focus of the Committee's inquiry must be child safety and the paramountcy of the child in the regulatory system for ECEC. Safety and high quality must sit at the apex of the system, for all provider types and in all parts of Australia.

In the current context, following a series of highly publicised cases of alleged and proven abuse of children in ECEC, it is vital that we build the confidence of families, by embedding safeguarding practices across the

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<sup>11</sup> Productivity Commission. (2024). A path to universal early childhood education and care, Inquiry report no. 106, Vol. 2 - Supporting papers. Canberra: Productivity Commission, p. 566.



entire sector. Flexibility and choice are important considerations for families – but we must insist on ‘child safety first’.

## 10. Any related matters.

Quality and safety must apply to all children – including those with disability, developmental delay and additional needs. For some children, additional resources (staffing, training and infrastructure/materials) are required to provide a safe, engaging and enriching environment. This generates additional costs for ECEC services – and much of this remains unfunded in the current system.

There is an urgent need for the Australian Government to provide targeted, ongoing funding to improve inclusion and the Inclusion Support Program (ISP), as recommended by the Productivity Commission. The early learning sector requires fully-funded, demand-driven inclusion support to ensure high quality for every child.

Effective and adequately funded inclusion support has been a significant issue for families and children requiring additional support, and for ECEC services seeking to meet their needs. Every family, regardless of their level of social capital, should be able to access a seamless support net for their child. Access to inclusion support should not be determined by postcode, family background or capacity to navigate a system.

The ISP was designed to fund extra educators and services, such as professional training, to build a support system around the child and complement other supports. This work is central to the promise of ECEC: that it will help each child to meet their full potential as they grow and learn. Unfortunately, ISP funding has not matched growing demand for the inclusion of children with additional needs, and it has not kept pace with increases in the minimum award wage for educators.

ELACCA notes that the Productivity Commission recommended to the Government that it significantly increase funding for the ISP, and streamline its processes<sup>12</sup>. We also note the review of the ISP completed by Deloitte Access Economics for the Australian Government in September 2023, and the NDIS review and consultation by the Department of Social Services with regard to foundational supports. These reviews provide opportunities for improvements in inclusion support to ensure all children benefit from ECEC, regardless of their circumstances.

The current development of the Thriving Kids initiative, led by the Australian Government, requires strong input from the ECEC sector, which is likely to, and should, be central to its delivery. ELACCA is hoping for opportunities to co-design aspects of the Thriving Kids system – but notes the very compressed timeframe for its development, which may not support strong consultation and co-design.

Thank you for considering ELACCA's submission.

We welcome continued collaboration through the next stages of shaping the regulatory reform.

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<sup>12</sup> Productivity Commission. (2024). op. Cit.