

ELAA Submission to the Senate Standing Committees on Education and Employment inquiry into the quality and safety of Australia's ECEC system

October 2025

1. Overview

The Early Learning Association Australia (ELAA) welcomes this opportunity to contribute to the Committees' examination of the quality and safety of Early Childhood Education and Care (ECEC) in Australia.

ELAA is a peak body representing and supporting not-for-profit independent kindergartens, early years managers, long day care, integrated services, local governments, government and independent schools and outside school hours care (OSHC) services. Some of our members have a national presence, with many having a focus in Victoria. We provide advice, training, resources and advocacy to help realise our vision of 'excellence and equity in Early Childhood Education and Care'. Our membership includes more than 1300 ECEC providers.

In preparing this submission, ELAA drew on more than 30 years of experience supporting its members, recent workshops with a cross-section of members, and a member survey that received more than 180 responses. These workshops and survey responses provide a cross-section of ELAA's membership, including single service providers, medium and large providers, different provider management types (including community managed, private, schools and councils), and operators of long day care and kindergarten services¹ located in Melbourne and rural and regional Victoria. A selection of quotes, direct from members, is included in this submission.

Many of ELAA's members operate across both national and state systems, for example operating both long day care and kindergarten services, or offering a kindergarten program within a long day care service. And even for the ELAA's members who are Victorian kindergarten services, and therefore not Child Care Subsidy (CCS)-approved services, they nonetheless operate within the national ECEC system, including under the same National Quality Framework, support the same children and families, and employ the same workforce, as other service types. Given these interconnections and interferences, all parts of the ECEC system need to be considered.

From this perspective, ELAA wishes to draw the Committees attention to the following issues and opportunities in particular:

¹ For the purposes of this submission, and reflecting terminology used in Victoria, this submission generally uses 'kindergarten service' to refer to an ECEC service that provides kindergarten programs (but not long day care or other CCS-funded programs) and 'kindergarten' to refer to the specific early childhood education program led by a bachelor-qualified teacher. However, terminology is inconsistent across Australia, and kindergarten is called preschool in some jurisdictions, and four-year-old kindergarten is becoming Pre-Prep in Victoria.

- Recent reforms to the ECEC system are welcomed, but more is needed to address known issues and achieve governments' ambitions for the system.
- Current and future reforms, and governments' approach to the ECEC system generally, need to better take account of the diversity of the sector. In particular, the different types of services, and the scale, capability and capacity of small and not-for-profit services and providers needs to be better considered in the design and implementation of policies and reforms.
- Reforms should include greater focus on what is required to deliver the benefits of ECEC for children, including greater investment and focus on quality and the workforce, and access to a kindergarten program. Allowing kindergarten services to access the CCS would also improve access and reduce complexity for families.

Some of these matters relate directly to quality and safety in the ECEC system, others relate more closely to other aspects of the Terms of Reference. But all relate to building and maintaining the sustainable and accessible ECEC system that is necessary to provide safe and high-quality ECEC for all Australian children and families.

Further details on these issues are in the body of this submission, and ELAA would welcome the opportunity to discuss these issues further with the Committee.

2. About ELAA

Early Learning Association Australia (ELAA) is a national peak body championing excellence in early learning for children, supporting families and service providers.

For over 30 years ELAA has been working with families and early learning providers toward a shared vision of equity and excellence in early learning for every child. We represent over 1300 early childhood education and care providers including:

- Early years managers
- Independent kindergartens
- Long day care services
- Integrated services
- Local governments
- Government and independent schools
- Out of school hours care services.

The majority of our members operate as not-for-profit entities. Our members are committed to high quality outcomes for children and their families, and we are proud of the contribution we make to the sector.



3. Recent reforms are welcomed, but are insufficient and require careful design

Recent years have seen significant ECEC reforms announced by both State and Commonwealth Governments, and ELAA welcomes them.

These reforms are necessary, but not sufficient, to realise the potential of the ECEC system in Australia. Further reforms and investment are needed, and a significant amount of implementation work still remains for already announced changes.

For example, ELAA appreciates the Commonwealth Government's announcement of the \$1 billion Building Early Education Fund (BEEF) to support quality not-for-profit providers and state and local governments to expand access by supporting around 160 new or expanded services. Its success will depend on its design and how funding will be allocated. It is an opportunity to help shape the system by strategically, including by supporting smaller, high-quality providers to grow, and potentially to bring new, capable not-for-profit providers into the system to help provide balance. However, after being announced in December 2024, in late September 2025 there is only limited public information about how funding will be allocated or how providers will be able to access the BEEF, despite \$100 million being allocated for expenditure in the 2025-26 financial year.²

And while an encouraging investment by the Commonwealth Government, it is important to recognise the scale of the BEEF. Establishing 160 new long day care services would represent a 1.7 per cent increase in the number of long day care services in Australia.³ And over the four years the BEEF is expected to roll-out, around 1000 additional long day care services would be expected to open in Australia, almost all of them for-profit.⁴ The investment in the BEEF is a welcome first step to support high quality, not-for-profit providers, but more will be needed.

ELAA also welcomes the Commonwealth Government's investments and reforms to better recognise and remunerate the ECEC workforce. But Government has only committed to the Worker Retention Payment until November 2026. Future funding for the Payment, and any funding for the current Fair Work Commission (FWC) Gender-based undervaluation review process for the Children's Services Award that is currently underway, and any conditions that may apply to this funding, are not known. While ELAA recognises the complexity of these processes and the general commitment of the current Government to addressing workforce issues, this uncertainty can complicate services' planning and create uncertainty for the workforce as to their future pay. The interaction and interdependencies between these processes, and state-based kindergarten funding systems and other industrial instruments such as the Victorian Early Childhood Teachers Enterprise Agreement (VECTEA), also adds complexity to the landscape, as providers and their employees

² Commonwealth Department of Education in Senate Estimates Hearing, [Hansard](#), 27 February 2025, page 91. Subsequent announcements have included a \$50m commitment from the BEEF to the [Investment Dialogue for Australia's Children](#), and a series of service-specific election commitments totalling \$71.6 million (see Department of Education, [Incoming Government Brief](#), 2025, pages 14-20.)

³ ACECQA [NQF Online Snapshot](#) (as at 1 July 2025), Table SS2, accessed 30 September, shows 9465 total long day care services in Australia. Note not all BEEF services may be new, or long day care services.

⁴ Estimate based on historical trends.

often have to navigate the different funding streams and requirements, or different industrial conditions and processes.

ELAA also supports the significant child safety reforms announced by Education Ministers Meeting earlier this year, but notes that there is a significant and complex implementation task ahead for governments and the sector.

ELAA also welcomes the significant investment and reforms being undertaken in Victoria, including the Best Start, Best Life reforms. These are nation-leading reforms not just for the scale of their ambition, but for the lessons they can provide to other governments about how expansion of access needs to be supported with investment in new and expanded services, the workforce, quality improvement and change management. However, the increasing state-based kindergarten entitlement, and the increasing use of long day care services to deliver kindergarten programs, can create complex and unintended interactions between Commonwealth and State industrial, funding and policy settings, as well as confusion for parents. The importance of Commonwealth and State coordination is discussed further later in this submission, in the context of workforce reforms and the national kindergarten/preschool entitlement.

4. Reforms need to be developed with an understanding of the diversity of the system

Governments often don't fully understand the day-to-day realities of services when introducing reforms. Policies are generally well-intentioned, but they don't always account for the time, staffing, and financial pressures services face in order to implement them. For example, reforms usually add to administrative and compliance tasks, yet there is no additional funding for backfill or non-contact time, so educators are forced to complete this work outside paid hours or at the expense of teaching time. This disconnect means reforms can unintentionally increase stress and burnout in the workforce, reduce staff retention, and impact the quality of education and care children and families receive.⁵

There is a common perception of the ECEC system as one dominated by large providers, with dozens or hundreds of services and large and sophisticated 'back office' and support operations. This includes large, for-profit providers (who may be ASX-listed companies or funded by sophisticated investors such as private equity funds), and large not-for-profit providers. This is, in some ways, a natural conclusion for the casual observer to reach – some large providers do exist, and because of their scale they are some of the more recognisable brands, or prominent in public discussion and advocacy about the sector.

However, the reality of the sector is quite different.

The sector is highly fragmented, and even the largest providers represent a very small proportion of the overall system.

⁵ ELAA member.

ACECQA's data shows that nationally, and including all types of ECEC (long day care, kindergarten, OSHC and family day care) there are 7215 approved providers, but only 1 per cent are large providers, with single-service providers (79 per cent of all providers) and medium sized providers (20 per cent) constituting the majority of the sector (see table below).⁶

Provider size	Number of providers	% of providers	% of services
Single (1 service)	5,672	79%	31%
Medium (2 to 24 services)	1,469	20%	32%
Large (25 or more services)	74	1%	36%

Source: ACECQA.

More granular analysis from Victoria's Rapid Child Safety Review looked at kindergartens and long day care services in Victoria, showing that even among providers with more than one service, the distribution was skewed towards smaller providers, with more providers operating only two services (150 providers) than the total of all providers operating three or more services (146 providers).⁷

Australia's largest provider, Goodstart, operates 653 services Australia-wide, but this is only a small part of a system with 9465 long day care services and 3077 kindergartens.⁸

More than half of all ECEC services in Australia are operated by private, for-profit providers, but nearly one in five are community managed – for example, by a parent committee.⁹ Other not-for-profit management types include schools, state and local governments, and other not-for-profit organisations. Not-for-profit services are, on average, higher quality – for example, ACECQA data shows they are more likely to Exceed the National Quality Standard (NQS), and less likely to be Working Towards the NQS, than for-profit providers.¹⁰ Not-for-profit providers often have long histories of quality provision, and deep connections to the communities they operate in.

The burden on volunteer committee members is significant. Key members spending average half a day a week on significant issues including finance, major works, safety, grant applications, governance, staff issues etc. [There is a] general trend for members to suffer burnout and only serve a term (if that).¹¹

Kindergartens and long day care services are sometimes operated by the same provider, but are predominantly funded by different levels of government, with different funding systems and rules. (Family day care and OSHC services are generally, but not always, operated by providers who do not operate other service types.)

Providers that operate both kindergartens and long day care services, or offer kindergarten programs as part of a long day care, face additional complexity as they can need to navigate, and

⁶ ACECQA NQF Online Snapshot, Tables SS14 and SS15.

⁷ Weatherill, J and White P, [Rapid Child Safety Review](#) (RCSR), page 85, accessed 30 September 2025.

⁸ Goodstart figure from [Goodstart and City Facilities Management Australia partner to give more children the best start in life](#) (Media release, 3 September 2025), accessed 30 September 2025. National data from ACECQA NQF Online Snapshot, Table SS2.

⁹ ACECQA NQF Online Snapshot, Table SS11.

¹⁰ ACECQA NQF Online Snapshot, Table OR5.

¹¹ ELAA member.



help parents navigate, different Commonwealth and State government funding rules, requirements and programs. This includes workforce-related areas (discussed further later in the submission), different inclusion funding and programs, different approaches to entitlements for children and families (e.g. Free Kinder and the '3 day guarantee'), and different funding systems, levels and rules. The task of navigating these different approaches and understanding the interaction between them, and the need to explain this all to families, invariably falls to ECEC services and their staff, adding to their burden. Improved program design and coordination between governments could assist.

Context and challenges can also be different in different geographic areas, including differences between cities and rural and regional areas.

In addition, Victoria's system may look different from other jurisdictions, given the different historical approaches to kindergarten delivery. For example, Victoria has a long history of community and other not-for-profit-managed standalone kindergartens, where other jurisdictions have a stronger history of government-run kindergarten services.

There is significant diversity in the system, and this can be a great strength, allowing different services and providers to meet the different needs of different children, families and communities. Not-for-profit services can play an important role in the system, providing a high-quality program that gives parents options, and can act as a quality benchmark in local areas, and exemplar for the broader system.

However, the diversity in the scale and nature of the system creates real challenges for governments in how they regulate the system and set policy and funding rules for it. In order for programs, regulation or reforms to be effective, they must be designed and delivered by governments and regulators with this diversity in mind. However when we surveyed members, only 5 per cent of respondents thought governments understand the practical implications and challenges facing their service when governments make decisions about system-wide reforms, and fewer than half think they get the support and information they need from governments to understand reforms and changes (e.g. to child safety or other regulations).

Not all services are able to afford the sudden implementation of these reforms and requirements. Budgets are set and there is little money being awarded to services to support them to make these changes unless you were a nominated service to trial the reforms. Having to implement service issued devices is extremely expensive and trying to find the funds to support these reforms is extremely challenging.¹²

Single-service or small providers generally do not have large, back-office teams providing help to manage changes to regulatory requirements, entitlements or funding models. They do not have specialist HR teams to handle recruitment and induction of new staff, or manage investigations into Reportable Conduct or other employee issues. They do not have specific expertise in regulatory compliance or dedicated resources to develop new organisational policies. They do not have

¹² ELAA member.

inhouse teams focussed on growth and expansion. In some cases, these services have no additional supports – just the teachers and educators that provide the ECEC, and who have to do administrative and other work out of hours. Many single-service providers also do not have professional or skills-based governance, with volunteer parent committees overseeing the staff. Smaller providers, especially not-for-profit providers, may also have limited financial resources and reserves to fund these 'corporate overheads', support growth, or manage change or unexpected expenses. Even relatively small but unexpected things like an unexpected policy or regulatory change, or a Reportable Conduct Scheme investigation, can be a significant diversion of resources for a small or medium provider.

ELAA provides a good service of explaining things however it is a lot to get across as a volunteer committee member being asked to vote on these things regularly.¹³

ELAA can and does play a role in supporting its members with advice, supports and information, but the services and providers are still left with significant responsibilities to discharge, and the workload that comes with it.

The Commonwealth Government's Worker Retention Payment can provide a helpful example of how well-intentioned policies can cause unintended issues. ELAA strongly supports the rationale behind the payment, and comments further on the ECEC system's workforce challenges below. But it has been designed and implemented in a way that has caused significant challenges for some ELAA members. For example:

- Providers applying for the Payment have had to agree to new industrial arrangements in advance of being approved for the Payment, and the Payment has only been funded by Government for two years, creating financial risk and uncertainty.
- The application process has been complex and time consuming, involving significant industrial and technical detail and requiring significant effort.
- Applications for the Payment have taken significant time to be processed, and all payments are retrospective, creating cashflow pressures for services who have to pay staff in a more timely manner.
- The funding formula or amount has not been disclosed – providers submit applications and receive decisions (and funding, where approved), but they do not know how much they will receive until they receive it.
- In some cases, the Payment does not apply to all of a provider's staff – for example, where a provider operates both long day care and kindergarten services, only the long day care staff are eligible (and there has been no coordinated program with state governments to fund a similar pay increase in kindergarten services). This can create internal challenges if different staff are on different pay arrangements, or a funding shortfall if the provider wants to keep equivalent staff at the same pay rates.

¹³ ELAA member.



These are challenges that larger providers may be better placed to manage – a provider with cash reserves and specialist HR and legal staff are far better placed to manage the complexity, detail and risk of the scheme than a small provider. ELAA can provide some support to its members who are eligible for the Payment, but it cannot manage all the work or risks for providers. For some providers, the complexity and uncertainty have led to them not participating in the Payment, limiting the availability of the pay rise.

The issue here is not one of policy intent, but policy design – policies and programs need to be designed with the nature of the ECEC system in mind.

Particularly in smaller services as the manager and staff are ultimately responsible for the implementation of all changes. Work Overload.¹⁴

For example, the BEEF's specific focus on supporting high quality not-for-profit providers is welcomed. Many not-for-profit providers have a long track record of high-quality delivery, and can form an important part of the safe and high-quality growth of the system. But in delivering the BEEF, consideration should be given to what information and supports smaller providers will need to be able to take advantage of the opportunity. Government should be deliberate about what it is trying to achieve through the BEEF, and therefore clearer about the kinds of providers it wants to help grow, and what kinds of support they will need to do so.

The design of the BEEF will need to be mindful of the different provider landscape in each jurisdiction. In part due to historical differences in the delivery of kindergarten, different states and territories have developed different provider profiles across different ECEC service types, both CCS-funded and non-CCS (such as kindergartens). For example, a provider may not have a long history in CCS-funded services, but could have a strong and relevant history of high-quality kindergarten service delivery, and could be supported to expand through the BEEF.

The scale of providers will also be important. While a larger provider may have a long-term expansion pipeline and/or internal capability to manage the building and opening of new services, most providers would not typically have this. But a smaller provider may still be high quality and could, with the right supports and program design, grow and take a bigger role in the system in the future, for example to meet growing demand in the community it already operates. In addition to considering this in the design of the BEEF (for example, grant requirements and timeframes, and including the provision of planning grants to allow providers to develop proposals), Government could consider different ways to support providers to participate in the BEEF (or otherwise expand). For example, the Productivity Commission recommended the Government establish an advisory service to support small not-for-profit providers to expand, and a separate advisory program to work with communities to help access funding to establish new services.¹⁵

¹⁴ ELAA member.

¹⁵ Productivity Commission, [A path to universal early childhood education and care](#) (Final report, June 2024), Recommendations 5.1 and 5.2



5. Children need to be placed at the centre of the system

The ECEC system is generally described as having two functions – to support children's learning, development and wellbeing, and to allow parents to participate in the workforce (or do other activities, such as study). However, too much emphasis by governments has been placed on the latter (principally through incentivising the expansion of supply and subsidising affordability), and not enough on the former. The interests of children should be given greater emphasis and focus by governments. ELAA welcomes the commitment by Education Ministers to 'make the safety, rights and best interests of children the paramount consideration under the National Law',¹⁶ and considers it important that this be reflected not only in terms of obligations on providers, but on governments as well – it is governments that set the rules and regulations of the system, and decide what to fund and how much to fund it. It is governments that set many of the incentives in the system that providers and families respond to.

While not seeking to examine the entirety of Australia's ECEC system, ELAA draws to the Committees' attention the following areas for improvement.

5.1 Quality

While recent discussions have, understandably, focussed on children's safety in ECEC services, quality in ECEC has multiple dimensions. The NQS has seven Areas, of which children's health and safety is one. Safety is – and should be – a non-negotiable part of the ECEC system. But it should not be the only one.

Children's learning, development and wellbeing needs to be better supported through high-quality ECEC. There is a wealth of research on the ability of high-quality ECEC to support children's learning, development and wellbeing, but at a national level, there is little support or investment in building quality. The CCS funding system contains no incentives for quality, or dedicated way of funding it. A service receives the same funding irrespective of its quality.

ELAA notes the Commonwealth Government's recent reforms to allow it to remove services from the CCS system if there are quality or safety concerns. But the actions taken to date relate to 30 services out of more than 15,000 CCS-approved services in Australia, less than 0.2 per cent of the sector. This is a welcome step, but it is not a comprehensive, systemic solution to quality.

Quality needs to be more than just ensuring a minimum level of child safety. AERO research, linking NQS ratings and children's developmental outcomes in the Australian Early Development Census, has identified an 'NQS rating of Exceeding is the threshold for most effectively reducing developmental vulnerability'.¹⁷ Nationally, however, only 17.6 per cent of long day care services are rated Exceeding, although more than half of kindergartens are.¹⁸ The distribution of quality is also inequitable - services in disadvantaged areas are more likely to be Working Towards the NQS, and less likely to be Exceeding the NQS, than more advantaged areas.¹⁹

¹⁶ Education Ministers Meeting, [Communique](#), 22 August 2025.

¹⁷ ¹⁷ Australian Education Research Organisation (AERO), [Linking quality and child development in early childhood education and care](#), June 2024

¹⁸ ACECQA NQF Online Snapshot, Table OR4. Includes 'Exceeding' and Excellent rated services.

¹⁹ ACECQA NQF Online Snapshot, Table OR7.

The AERO research identified three Quality Areas – educational program and practice; physical environment; and relationships with children – as 'stronger and more consistent predictors of developmental vulnerability',²⁰ underscoring how child health and safety, while important, should not be the sole focus of quality improvement efforts.

Quality needs to be funded, supported and built. Currently, the national funding system provides no incentives, supports or other consequences for safety, beyond the threat of ceasing funding for the most extreme cases. ELAA supports the recommendation of the Victorian Rapid Child Safety Review for the Commonwealth Government to fund a Child Care Quality Improvement Program for CCS-approved services, similar to the Victorian Kindergarten Quality Improvement Program.²¹

ELAA also supports the recommendation of the Rapid Child Safety Review for the Commonwealth Government to establish a process to appoint a new provider to take over a service where it has had its CCS approval cancelled, to quickly improve quality and enable continuity of access for families.²² ELAA, with its strong understanding of the Victorian system and providers, would be well-placed to assist the Government with this process.

ELAA notes and supports the important role a robust and effective regulatory system has in promoting quality and safety, and ensuring the public has confidence in the system. It is imperative that regulators be properly resourced to perform their roles, and ELAA supports the recommendation of the Victoria Rapid Child Safety for the Commonwealth Government to reinstate a contribution to the cost of system regulation.²³

5.2 Workforce

The workforce is an essential element for a safe and high-quality service. It is the area that a majority of ELAA members who responded to the survey identified as the most important area.

*The early childhood profession has been in a constant state of change for at least 10 years - we are wearing people down and will continue to lose experienced teachers/educators if this rate/pace/load continues. Personally, I am working at least 10-15 unpaid hours per week to keep up with reform expectations and responsibilities. This is clearly not ok.*²⁴

The sector has long faced workforce challenges, including a historically undervalued and underpaid profession that is highly feminised and has often struggled to attract and retain a sufficient skilled workforce to meet ever-increasing demand. The workforce reports being under significant pressure from the administrative and reform-driven workloads placed on it, in addition to what is already a challenging job, and that recent child safety incidents and resulting public discussion have further diminished the status of the profession in much of the general public's eye. The recent pay increase from the Worker Retention Payment has been welcomed where available, but pay and conditions

²⁰ AERO, [Linking quality and child development in early childhood education and care](#), June 2024

²¹ RCSR, Recommendation 21.2

²² RCSR, Recommendation 2.2

²³ RCSR, Recommendation 11.2.

²⁴ ELAA member.

remain a challenge, especially given the uncertainty of future arrangements, and what is felt as ever-increasing expectations placed on staff.

The workforce has long been highly-feminised, leading to unhelpful and inaccurate perceptions of the role of educators and early childhood teachers as unskilled work that draws merely on women's inherent caring nature, and does not recognise the difficulty and complexity of the work, or the professional skill involved. This lack of broader community recognition of the workforce has contributed, amongst other things, to lower pay and difficulty attracting and retaining staff.

At times, including recently, these challenges have become more acute, with workforce shortages requiring services to limit their operating capacity because they could not meet staffing requirements. While this appears to have eased (in part due to governments' efforts), the workforce remains a significant risk for the sector and a barrier to further expansion of access and quality improvement, including improving staffing ratios. And it stills seems to be the case that, in some areas, a lack of confidence in workforce supply contributes to some providers limiting their growth or expansion.

ELAA acknowledges that governments have taken steps to address workforce challenges, including the Worker Retention Payment. However, ELAA members find themselves caught between a rock and a hard place – they recognise challenges and want to invest more in the workforce, but the workforce is the vast majority of the cost of providing ECEC, and the reality is the money must come from somewhere. Either it comes from governments, or it comes from parents (in the form of fees). Some ELAA members face a particular challenge in kindergarten programs, where the Victorian Government's Free Kinder program prevents them from charging parent fees, making them entirely reliant on government funding for staff wages.

The complex and seemingly ever-moving industrial landscape complicates this – currently the Worker Retention Payment is available to boost pay in CCS-funded services, but not kindergarten services. The FWC gender-based undervaluation process will affect the Children's Services Award (CSA), which applies across service types. Victorian Kindergarten funding varies depending on whether or not services are signatories the Victorian Early Childhood Teachers' and Educators' Agreement (VECTEA), the Early Education Employees' Agreement (EEEEA), or an approved equivalent agreement. This creates great complexity for services in Victoria to navigate, and uncertainty for the workforce - currently the Worker Retention Payment is due to end in November 2026, the VECTEA and EEEEE have both expired, and to the best of ELAA's knowledge, no government has made any commitment to funding any changes to the Children's Services Award flowing from the FWC process. This lack of planning, coordination and forward notice creates challenges and risks for providers and staff. It also contributes to considerable unease and growing resentment from a workforce whose professional reputation has suffered in recent times, and who already are struggling under years of underinvestment and reform.

The lack of coordination can be illustrated by Education Ministers Meeting (EMM). EMM consists of Commonwealth, state and territory government ministers responsible for education, including early childhood education. According to its Terms of Reference, EMM:

provides a forum for national cooperation on early childhood education and care, school education, higher education and international education.

The forum progresses items of national strategic importance within the portfolio collaboratively to achieve agreed objectives and priorities.

However, according to the published meeting details and communiques, EMM did not meet between 7 June 2024, and 27 June 2025²⁵ – a gap of over a year, during which, amongst other things, the BEEF and Worker Retention Payment were announced, the FWC handed down its initial decision on the Children's Services Award, and the Productivity Commission's Final Report on the ECEC system was provided to government and publicly released.

Somewhat similarly, National Cabinet has had sporadic involvement in ECEC matters. In August 2022 National Cabinet agreed to 'work together on a long-term vision for ECEC to better support parents' workforce participation and deliver improved early learning and child development outcomes *as a national priority*' (emphasis added) and that 'Education and Early Years Ministers will work together to identify priority areas where governments can collaborate to support better outcomes across the system, with a particular focus on Early Childhood Education and Care workforce shortages, and with an update on progress to be provided to National Cabinet by the end of 2022.'²⁶

In December 2022, National Cabinet 'noted an update from Education and Early Years Ministers on the development of a national long-term vision for early childhood education and care (ECEC). This update included progress on efforts to address ECEC workforce shortages.'²⁷ Since then, according to its public Meeting Outcomes,²⁸ there is no record of National Cabinet considering ECEC workforce issues,²⁹ and more than three years after it was commissioned, the National Vision remains in draft.³⁰

Having a diverse ECEC workforce is important. It is important for children to be exposed to a diverse range of people, to see different people in different roles, and to have an opportunity to form relationships with different people. The ECEC system can play a part in this, and it is also beneficial for the ECEC system to be able to draw on a wide range of people to meet current and future workforce needs. While there is more to be done across a range of forms of diversity, the gender balance of the ECEC workforce in particular requires greater attention and effort from governments. Having men in educator and teacher roles is important for children so they can have a variety of role models and adults to form relationships with, and as half the population in male, they

²⁵ See Commonwealth Department of Education website, [Education Ministers Meeting](#) (accessed 30 September 2025). It is possible that Ministers met without it being publicly disclosed, or decisions were made outside of EMM meetings and this is not reported.

²⁶ Meeting of National Cabinet ([Media release](#)) 31 August 2022

²⁷ Meeting of National Cabinet ([Media statement](#)) 9 December 2022.

²⁸ See Federation website, [Meeting Outcomes](#). Accessed 30 September 2025.

²⁹ National Cabinet did, on 28 April 2023, discuss the development of a national strategy for the care and support economy. (See [Meeting of the National Cabinet - A Better Future for the Federation](#) (Media Release) 28 April 2023). The Commonwealth Government released a [Draft National Strategy for the Care and Support Economy](#) in May 2023, but this has never been finalised, and the work [instead transitioned](#) into a unit within the Department of Prime Minister and Cabinet.

³⁰ A draft National Vision was released for public consultation in March 2023; the Commonwealth Department of Education's [website](#) says (as at 30 September 2025) 'The draft vision was updated to address the consultation findings. National Cabinet is considering the vision. Once agreed by National Cabinet, the vision will provide long-term direction to achieve a quality, accessible, affordable and equitable ECEC sector.'



represent a large source of potential supply for the workforce. The gender balance has always been a challenge in ECEC, but receives far less attention or government assistance than efforts to, for example, promote female careers in construction or STEM. The current situation may worsen, with some ELAA members reporting that men are leaving the profession because of increasing stigma following recent incidents.

In addition to greater national leadership and coordination, greater investment in the workforce is required. Workforce support in ECEC is challenging. Funding is tight, and tied to child attendance.³¹ However, staffing arrangements in ECEC are tightly regulated, with staffing ratios required to be met. This is important for quality and safety, and ELAA strongly supports staffing ratio requirements. However, the combination of staffing requirements and the scale and structure of the funding system make it challenging for employers to find the time and funding to release staff to undertake professional development. In Victoria, the Victorian Government has recognised this challenge, and in addition to funding many professional development activities, provides funding for backfill to allow staff to attend professional development activity.³² These generally relate, however, only to funded kindergarten programs. The Commonwealth offers some professional development supports (including backfill) for CCS-funded services, but the scale and scope are insufficient for the scale of the ECEC system.

We spend a significant amount of time and money on training, coaching, guidance and mentoring of staff to get their skills up to expected levels. It would be good to have ongoing funding for this purpose. The amount of changes and the rapid rate of their required implementation also requires a significant amount of time and training which could be covered by government grants. Paying staff well for the complex nature of the work will also ensure that the sector would attract people with higher level academic knowledge and skills which would provide higher levels of understanding and implementation - speeding up the change process.³³

ELAA supports the recommendation of the Productivity Commission for the Commonwealth, state and territory governments to provide financial support for the ECEC workforce to undertake professional development,³⁴ and the recommendation of the Victoria Rapid Child Safety Review for the Commonwealth Government to fund time release for staff to undertake training.³⁵

The regulations and standards are generally sound — the gap is that the Commonwealth does not fund the time it takes for educators to learn, interpret and put those laws into practice. The government should provide funded, paid release time and targeted professional development funding (including relief-staff cover), plus workforce funding that

³¹ Technically, payment of the CCS is tied to parents paying their fee for attendance.

³² See, for example, [Early Years Learning Network Contribution to Backfill Policy](#) (accessed 30 September 2025) or the ability of services to use School Readiness Funding (SRF) for backfill for other SRF supports, [Backfill](#), accessed 30 September 2025).

³³ ELAA member.

³⁴ PC Recommendation 3.11

³⁵ RCSR Recommendation 20.2



enables better wages and clear career pathways. This would improve educator retention, increase consistency of care, raise quality of practice and give families steadier, higher-quality support.³⁶

Some professional development and support also needs to be tailored for different parts of the workforce, including service leaders and staff managers, and those involved in the governance of providers. A volunteer on a parent committee of management has different support and training needs than the professional director of a large provider. Bodies such as ELAA, with deep expertise in, and connection with, specific parts of the sector can be better used to develop and provide these supports.

Greater attention is also required to the quality and suitability of pre-service training for both educators and teachers. ELAA has heard significant concerns from its members about the impacts of low-quality training providers, and programs that are run too quickly to cover what is needed, resulting in new staff who need significant additional support once they begin employment.

5.3 National kindergarten/preschool entitlement

One area where the benefits of Commonwealth funding and national leadership has been demonstrated is in the provision of universal access to kindergarten (or preschool) in the year before school. An independent review of the agreement that provided for this, the Universal Access National Partnership (UANP) found:

The UANP is considered a major success across the sector. As intended, it has precipitated a significant increase in participation in quality preschool (kindergarten) by children in the year before full-time school (YBFS): more children are enrolled, and the proportion enrolled for the target of 600 hours has increased from 12 per cent in 2008 to 96 per cent in 2018.

The UANP has established a national system, while preserving State and Territory autonomy to meet local needs. ... Australian Government funding and national coordination should continue.³⁷

This commitment to Universal Access began in 2008, and its achievement has been the result of sustained effort and investment by governments and the sector. Since then, there has been an improved understanding of child development and the potential benefits of early childhood education, and a number of reports have called for Australia to increase access to a kindergarten or preschool program, including to three-year-olds.³⁸

However, there has been no Commonwealth Government action to progress this. In the absence of Commonwealth Government leadership, many jurisdictions have taken steps on their own to expand preschool entitlement. In Victoria, the government is rolling out 600 hours per year of three-

³⁶ ELAA member.

³⁷ Nous, [UANP Review: Final Review Report](#) (October 2020) Page 1. The UANP has been succeeded by the Preschool Reform Agreement.

³⁸ See for example, Fox, S and Geddes, M. (2016). [Preschool - Two Years are Better Than One: Developing a Preschool Program for Australian 3 Year Olds – Evidence, Policy and Implementation](#), Mitchell Institute Policy Paper No. 03/2016. Mitchell Institute, Melbourne; Pascoe, S, and Brennan, D. (2017). [Lifting Our Game: Report of the Review to Achieve Education Excellence in Australian Schools through Early Childhood Interventions](#), and South Australian Royal Commission into ECEC, [Final Report](#), August 2023.

year-old kindergarten, and expanding the four-year-old kindergarten from 600 to 1200 hours per year. ELAA welcomes this, which has the potential to make a significant difference in the lives of thousands of children each year. Many other states and territories have also made commitments and are in the process of expanding access to kindergarten programs.

However, this expansion is complex, expensive and slow. In the absence of Commonwealth support, there is significant fiscal pressure being placed on states and territories who wish to expand access. This can slow the roll out of reform, or limit its ambition or supports.

A lack of national coordination adds complexity, and may lead to parent confusion, workforce shortages and sector sustainability concerns. As jurisdictions increase their kindergarten offer, they can draw children out of long day care services and into kindergarten services. This may, intuitively, seem like a good thing, as it creates more space in long day care services for other children. However, the reality is quite different – long day care services rely on three- and four-year-old children to cross-subsidise places for younger children. This is because tighter staffing ratios for children under three mean the cost of providing ECEC to them is much higher.³⁹ But the funding system does not recognise this difference in cost, with the CCS rate and hourly CCS rate cap the same for children in long day care regardless of the child's age. If too many older children move from long day care services to kindergartens, the long day care business and funding model will collapse.

Most importantly, however, based on current commitments, Australia is going to find itself in a situation where access to a kindergarten program is, in some ways, highly inequitable. Viewed from a national level, it makes no sense for every child in Victoria to have access to 1800 hours of a kindergarten program before they begin school, but a child in the Northern Territory to have access to only 600 hours. But in the absence of national leadership and support, this seems the likely outcome, as the cost of expansion is too high for some governments to afford.

ELAA calls on the Commonwealth Government to support an expansion of universal access to kindergarten across Australia, so no child misses out.

5.4 Easy and convenient access for families

One frequent concern raised about kindergarten services is that, because kindergarten programs are typically offered over part of a day (for example, 8am to 3:30pm), they can be difficult for parents to manage logistically, and are not conducive to parents' workforce participation. This has been identified as contributing, over time, to the greater use of long day care services by families, including to access a state-government funded kindergarten program.⁴⁰

³⁹ The Productivity Commission acknowledged this issue (see Final Report, Volume 2, page 331), but showed a surprising lack of interest in its significant potential implications.

⁴⁰ Noting that different states and territories have different approaches to the funding of kindergarten programs in long day care services.



*We had examples of losing enrolments this year because of the lack of wrap around care. ...
A few families had to work less hours or send their children to LDCs over 30 mins away.⁴¹*

Kindergarten services could offer additional hours of ECEC (sometimes called 'wrap around hours' or 'outside preschool hours care'). However, in order to be viable, they would usually need to be subsidised (as hours in long day care are). In the absence of the CCS, any additional hours would be impractically expensive for many families, or would operate at a loss to the service.

However, under current Commonwealth Government policy and legislative settings, kindergarten services are not permitted to register for the CCS,⁴² which prevents them from extending their hours of operation.

Following recommendations from the Productivity Commission⁴³ and South Australian Royal Commission into Early Childhood Education and Care,⁴⁴ and sector advocacy efforts (including by ELAA),⁴⁵ the Commonwealth Government recently made changes to the *Minister's Rules* 'to provide families with preschool children with more options for affordable before-and-after hours care'.⁴⁶

However, these changes only allow OSHC providers to provide this care; any kindergarten service would still be ineligible to receive the CCS and therefore could not offer it. This significantly limits the effectiveness of the change. In order to offer additional hours, a kindergarten would need to either:

- (a) Engage an external OSHC provider to deliver the hours. Even assuming an OSHC provider can be found willing to provide the service, this creates administrative and other complexity for the kindergarten who would need to engage or facilitate the OSHC provider (and/or the parents who would need to engage with another provider), and disrupts the continuity of care and relationships for children at the service as a different provider (with presumably different staff) would be providing the additional hours. In some cases, it can require transporting children to a different site.
- (b) Establish a separate legal entity that would serve as an OSHC provider. In addition to the cost, complexity and regulatory burden of setting up a new provider, this would also create

⁴¹ ELAA member.

⁴² This is well-understood as a deliberate policy choice by the Commonwealth Government. See, for example, *A New Tax System (Family Assistance) (Administration) Act 1999* section 195C(2), which requires a centre-based service to operate for a minimum 48 weeks per year to be eligible to receive the CCS (when many kindergartens, and state government kindergarten funding systems, are based on a 40-week year, aligned to school terms. Even the Preschool Reform Agreement is based around 15 hours per week for 40 weeks per year, e.g. 'This Agreement will support the delivery of 15 hours a week, or 600 hours a year of quality preschool programs' [Objective of PRA, page 1, [Preschool Reform Agreement](#)]); and section 194D(a)(vi) which prohibits a service 'that primarily provides an early educational program to children in the year that is 2 years before grade 1 of school (such as a preschool or kindergarten)' from being registered for the CCS.

⁴³ PC Recommendation 7.6.

⁴⁴ South Australian Royal Commission into ECEC Recommendation 5.

⁴⁵ See, for example, [ELAA's submission to the Productivity Commission](#) (May 2023), page 17 and ELAA's [Submission in response to the Productivity Commissions Draft Report](#) (February 2024), pages 7-8.

⁴⁶ Commonwealth Department of Education, [Changes to the Child Care Subsidy Minister's Rules](#), 30 July 2024 (announcement). Last accessed 30 September 2025.

workforce complexity as staff would need to be employed by both the kindergarten and the OSHC.

A far better alternative would be to amend the Legislation and Rules to allow kindergartens to register for the CCS. This would help kindergartens offer additional hours, supporting parents' workforce participation and continuity of education and care for children. It would also help unlock capacity in the ECEC system more broadly, as some kindergarten services could expand their offer to more days and hours and to different families. This could be particularly beneficial in areas with limited other options, including rural and regional areas, where services sometimes have naturally low kindergarten enrolments (due to low population levels) and therefore available capacity, but are unable to utilise it because they cannot access the CCS.

Not every parent would want these additional hours, and not every service may want to offer them. But by limiting the ability of services to make this choice and respond to local families' needs, an opportunity is being missed.

I know multiple families in the area cannot use sessional kindergarten due to work schedules. If Kinders were given support to extend hours, their existence would be more sustainable and growth would be an ambition, rather than just stability.⁴⁷

Responses to ELAA's members survey showed that nearly two thirds of kindergartens that currently do not offer wrap around hours think their parents would want them to, and many kindergartens would consider it if the CCS was available.

6. Governments need to take a more active role managing the system

The comments above cover a variety of policy areas and specific issues and ideas, but generally relate to a broader theme – governments need to be more active, deliberate and coordinated in how they manage the ECEC system in Australia. Too much has been left for 'the market' or individual providers and services to solve, but we have seen that this is not an approach that has led to the outcomes that governments want and the public expect. It has led to a system that has not sufficiently prioritised workforce sustainability and quality and safety for children. Governments need to better steward the system, and work together to manage issues that sit across different levels of government or service types to drive and support quality provision to meet children's needs. They should be deliberate about supporting the parts of the system they want to see more of, including expanding quality provision as part of broader reform objectives to deliver a high-quality program for children. Governments need to clearly state what they want, to understand the system and what it needs to succeed, to be more deliberate in program and funding design, and to provide the supports needed in an appropriate way that gets the outcomes we all want from the system.

⁴⁷ ELAA member.