



Acknowledgement to Country

We acknowledge and respect the continuing spirit, culture, and contribution of Traditional Custodians on the lands where we work, and pay respects to Elders, past and present. We extend our respects to Traditional Custodians of all the places that United Workers Union members live and work around the country.

About the United Workers' Union

United Workers Union (UWU) is a powerful union with 150,000 workers across the country from more than 45 industries and all walks of life, standing together to make a difference. Our work reaches millions of people every single day of their lives. We feed you, educate you, provide care for you, keep your communities safe and get you the goods you need. Without us, everything stops. We are proud of the work we do – our paramedic members work around the clock to save lives; early

childhood educators are shaping the future of the nation one child at a time; supermarket logistics members pack food for your local supermarket and farms workers put food on Australian dinner tables; hospitality members serve you a drink on your night off; aged care members provide quality care for our elderly and cleaning and security members ensure the spaces you work, travel and educate yourself in are safe and clean.

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Introduction

United Workers' Union welcomes the opportunity to contribute to the Legislative Council Select Committee's Inquiry into the Early Childhood Education and Care (ECEC) sector in Victoria. The issues raised in the Terms of Reference (ToR) of this inquiry impact educators every day and are issues educators also care deeply about; including such matters as the safety of children, working conditions and pay, the effectiveness of regulation and the regulator, and the growth of private for-profit providers in the sector. Educators have repeatedly raised the alarm about these matters over many years and will continue to do so because the positive outcomes of high quality ECEC are to the benefit of everyone in Victoria. The vast majority of educators go above and beyond in their duties every day, to ensure children receive the best possible education and care. Recent media reports on the mistreatment of children in the sector are devastating for educators, and through our union we will continue to fight for vital changes just like we have been doing for decades.¹ We won't stop, because the safety of children is too important.

UWU members want to see an ECEC sector that both values the workforce and focuses on delivering high quality ECEC for the benefit of Australian children, where children are not only safe but thrive. The current market model of ECEC incentivises prioritising profits at the expense of high quality early education. Ultimately it is only by taking the 'for profit' out of ECEC, and adopting universal public provision, that the issues raised in the inquiry ToR can be adequately addressed. Publicly provided ECEC can prioritise the type of early education and care a child needs to ensure their safety, health, and wellbeing.

The Victorian Government has the opportunity to advocate nationally for key policies already being implemented at a state level, but there are also other immediate steps that the Victorian Government should be taking to improve child safety and the quality of early learning in the sector. For example, staffing has been in crisis for years whilst educators have left the sector in droves due to high workloads and poor wages. Removing 'under-the-roof' ratios will be a necessary start in addressing the high workload and stressful conditions that educators have been experiencing and improve child safety and supervision. Reform of the Inclusion Support Program is desperately needed to ensure all children who need additional support receive it. Retaining educators in the sector will improve the quality of ECEC that is delivered in Victorian services, leading to better outcomes for children.

Educators want to see reform in the sector that is evidence-based, with consideration for the long-term vision of the sector in Victoria and across Australia. The Victorian Government has taken steps forward toward this vision; the first of 50 publicly run long day care (LDC) services have opened. This offers a path forward for other states and territories to follow for high quality ECEC that values and recognises the ECEC workforce and puts early childhood education at the beginning of a child's education journey through to formal schooling and beyond.

UWU also acknowledges the commitment of the Victorian Government to recommendations of the Rapid Review into Child Safety, and the establishment of a National Early Childhood Worker Register, mandatory child safety training and other recent reforms.

Recommendations

UWU educators make the following recommendations to the Inquiry:

1. The Victorian Government should implement UWU's safer staffing action plan (refer to Appendix 1). To ensure children are in safe, supportive environments, it is necessary

that:

- a. Ratios must be met in every room, and the 'under-the-roof' loophole must be closed.
 - b. Staffing waivers can only be used as a last resort and are strictly time limited.
 - c. Every child with additional needs, whether diagnosed or not, is fully supported through additional staffing and other required resources.
 - d. The same best practice ratios apply across all states and territories.
 - e. Educators have the time and resources to focus on children – educators shouldn't have to undertake additional duties such as cleaning the centre or be overburdened with excessive administrative tasks.
 - f. Training is high quality – an immediate review of training providers should take place, and substandard providers should lose their registration.
 - g. All educators have access to ongoing high-quality training and professional development. Educators should have access to professional development in paid time with shift backfill so they can attend that training.
2. The Victorian Government should advocate for national reform on staffing waivers. They must be only for exceptional circumstances and strictly time limited.
 3. The Victorian Government should create the role of a child safety and quality officer in every centre. This officer should have the information and skills to raise safety concerns, and the power to hold providers accountable on staffing. Child safety and quality officers must have access to training and strong protections from reprisal so they can support educators without fear.
 4. The Victorian Government should implement and advocate nationally for better reporting pathways for ECEC workers and families, and accountability and transparency for regulators. Families, educators and the public should know whether services or providers have staffing waivers in place, the proportion of trainees in their centre, if there is a reliance on agency workers to meet minimum ratio requirements, and if there has been any current or historic compliance action taken by the regulator against the service or provider.
 5. The Victorian Government should advocate at a national level for increasing transparency requirements of providers to disclose the structure of their operations, and requirements to disclose on acquisitions and transfers of ownership. This is an issue raised by the National Child Safety Review and would improve transparency and compliance in the sector.
 6. A world-class, high-quality early learning education system is a public and universal one that directly employs and professionally pays educators. Governments must aim higher than a 'stewardship role' in early learning; they should be central in providing it.

Early learning should be the very first stage of the public education system in Australia. Early childhood educators across the country implore the Victorian Government to advocate at a national level for the investigation into short-, medium- and long-term policy reforms to realise this vision. As a first step, State and Federal Governments in all jurisdictions must develop and trial publicly run, fit-for-purpose long day care (LDC) centres that directly employ educators as a first shift towards public early learning provision. Where possible, these centres should be co-located with schools, and initially targeted in low socio-economic areas.

UWU's response to the ToR

- (a) the adequacy of current quality and safety standards across all ECEC service types;**
- (e) the adequacy of staff-to-child ratio regulations, including ratios being averaged across entire services rather than applied per room;**

Closing staffing loopholes

A stable, professional workforce is key to high quality ECEC. Not only does it create a safe, supervised environment for children, but adequate staffing supports educators in their role by alleviating workload issues and preventing burnout. However, educators have been speaking out for years about the dire workforce crisis in the sector, and its impacts on child safety and quality. Staffing loopholes have aggravated workforce issues in the sector; staffing waivers are far more prevalent than before the Covid-19 pandemic (especially in LDC), and widespread use of 'under-the-roof' ratios have exacerbated problems of supervision, workload and child safety and quality caused by understaffing.

A survey conducted in June and July 2025 (United Workers Union Childhood Education and Care Quality and Safety Census) of more than 3000 early childhood educators found 77% of educators say their room is operating below minimum staffing requirements at least weekly. Alarming, 42% say it is happening *daily*. In Victoria, despite having by far the lowest rates of staffing waivers in LDC services in the country,² 41% of workers are still reporting that their room is operating below minimum staffing ratios daily.

There are very clear, immediate risks to child safety if child-educator ratios are not being met in the day-to-day operations of a LDC service. Almost three-quarters of educators (72%) said understaffing led to an increase in children hurting themselves or others, and 64% said children who need additional support were not provided that support they needed. There are also impacts on the quality of early learning that can be delivered by educators. Three quarters

of respondents said understaffing meant children were left without emotional support, and 69% said education standards were compromised by a failure to meet minimum staffing levels. More than half (53%) of workers said for-profit providers either placed a low priority on quality education, safety and care of children, or did not consider it at all.

There are immediate steps that can be taken by the Victorian Government to close staffing loopholes, including limiting the use of staffing waivers and removing 'under-the-roof' ratios.

Staffing waivers require reform

Clear evidence of the ongoing workforce crisis in the ECEC sector is seen in the uptick in staffing waivers in ECEC across the country over the last decade. Even though the proportion of services across the country with a staffing waiver has decreased from its peak in 2022-23, these waivers continue to be at unacceptable levels for child safety and quality of early education. Public data from the Australian Children's Education and Care Quality Authority (ACECQA) on waivers in long day care (LDC) goes back to 2019. Six years ago, in Q1 2019 the proportion of services with a staffing waiver nationally was 7.2%, and data from the third quarter of 2025 shows that currently 11% of LDC services have waivers in place.³ Western Australia (WA) (19.1%), South Australia (SA) (17%) and New South Wales (NSW) (14.9%) are the poorest performing states with the proportion of LDC operating with staffing waivers.⁴

These figures point to an unsettling and disappointing acceptance in ECEC over the last decade that staffing waivers are a 'normal' part of doing business. This can be seen in the change in the proportions of all services, nationally with a staffing waiver. The waiver rate is more than double what it was ten years ago. In the first quarter of 2015 the waiver rate was 3.3%, while in the third quarter of 2025 it was 6.8%.⁵ Whilst it is an improvement from a high of 10% in 2023, this should still be considered unacceptable and ACECQA data shows the upward trend in the proportion of services with a waiver over the last 12 years.⁶

It is also important to note that whilst the proportion of services with a waiver in place has been dropping since 2023, the sector is still experiencing a shortage of educators and early childhood teachers.⁷ Jobs and Skills Australia noted in its 2024 capacity study on the ECEC workforce that currently the sector is under "significant strain",⁸ and the current workforce would need to grow by an estimated 8% to meet current unmet demand for ECEC services *and another 8% to meet unmet demand for qualified workers.*⁹ In addition, based on its modelling the workforce would need to grow by 1.5% every year from 2023 to 2034 to meet the increase in demand for ECEC services due to population growth and increased female participation in the workforce.¹⁰

The Victorian Government has the opportunity to advocate for national reform on staffing waivers, as a state that is performing better than the rest of the country on the proportion of ECEC centres operating with a staffing waiver. Staffing waivers should only be a last resort and strictly time limited. Yet, staffing waivers do not reveal the true extent of understaffing in ECEC services, nor do they illustrate how widespread the use of 'under-the-roof' ratios is in the sector.

'Under-the-roof' ratios create unsafe environments for early learning

Educators are in fierce agreement that 'under-the-roof' ratios are a barrier to high quality early learning, used only by providers to lower their costs. Victorian educators have been advocating for the removal of 'under-the-roof' ratios for years and recently have been writing to ACECQA as it conducts its rapid assessment of supervision practices in the sector. Their experiences highlight how dangerous the practice is to child safety and inhibiting educators' ability to supervise in the room.

One educator said:

"The under-the-roof ratios are not working in practice. On paper they may seem fair, but in reality they spread educators too thin and place children at risk. I feel more like I'm managing numbers than meeting children's needs. It creates stress, unsafe environments, and undermines quality care. Please listen to educators – these ratios are failing both children and staff."

Another educator wrote:

"In our current centre and past centres I have worked at, under roof ratio permits educators to be alone in a room. This should never happen! If there is a serious incident, you are alone to provide first aid, call for help, and supervise all the other children as well as closely monitor the injured child. Not to mention, what if it is the Educator who suffers a medical event? No one would notice and those children would essentially be left completely on their own. Under roof lacks supervision requirements, fails in our ability to deliver quality care to children. Dangerous!"

One educator highlighted that services claiming to be focused on quality and safety had the choice to not rely on under-the-roof ratios and the bare minimum of staffing:

“Services that genuinely value quality and claim to protect children’s safety should take proactive steps to eliminate the use of roofline ratios – demonstrating leadership and commitment to children, families, and educators, regardless of whether regulation demands it.”

Another educator outlined the toll ‘under-the-roof’ ratios takes on staff and children – and that its use in services undermines educators’ wellbeing:

“I work in childcare and see the truth behind ratios. On paper they look fine, but rooms are understaffed, with way too many children in each individual rooms, and educators are overwhelmed by the expectation of quality care with the amount of children in each room. We’re in survival mode, not providing quality care. We juggle too much with too few hands.... We love our jobs, but without change – like ending under-the-roof ratios and respecting educators – we won’t last. The system is failing children, and it’s breaking us. We need support, not blame.”

It is paramount that there is additional staffing in place at services for these reforms to work. It is evident from the UWU Safety and Quality Census that many services are frequently not meeting even minimum ratios. An important action that the Victorian Government can take is closing these staffing loopholes in the national regulations. It will improve the quality of early learning and supervision in services, whilst reducing burnout and improving retention of skilled, knowledgeable educators in the sector.

(b) the quality and oversight of educator training, professional development and qualifications, including a review of the effectiveness of Working with Children Checks and of Registered Training Organisations issuing early childhood certifications;

Immediate review of Registered Training Organisations is required

It is essential for safe, high quality early childhood education and care that training providers and Registered Training Organisations (RTOs) are delivering high quality training and courses that provides educators the knowledge and skills they need for the sector.

Since June 2024, several RTOs have had their registrations cancelled by the Australian Skills Quality Authority (ASQA), including RTOs that offer a Certificate III in Early Childhood Education and Care and a Diploma of Early Childhood Education and Care.¹¹

UWU supports ASQA taking a strong approach to regulating RTOs. Thousands of individuals are impacted by the cancelling of their qualifications because of these providers' failure to meet appropriate standards. It highlights the pressing need for a review of RTOs that offer a course in early childhood education.

UWU recommends that an immediate review of RTOs should take place, and substandard providers should lose their registration.

(d) the impact of workforce conditions, such as pay, job security, workload and recognition on educator wellbeing, retention and service quality;

Permanent staff make the difference

Reducing the high turnover of staff and casualisation is imperative to improving quality and safety. In the sector right now, educators are burnt out by the stress of excessive workload demands, paperwork, and understaffing. A stable workforce delivering early learning and care means educators are more likely to notice potential child safety issues. A stable workforce is an indicator of high quality ECEC. Reducing burn out, and therefore improving retention in the sector, will improve safety and quality outcomes.

In services where there is a high turnover of staff, or worker shortages, casual agency staff are used by providers to fill the gaps. Yet these educators do not have the ongoing relationships with the children and families in the service in the same way permanent staff do. It is a dangerous cycle, whereby the use of agency staff increases workloads for permanent staff, leading to dangerous incidents, which in turn create additional paperwork and stress which then detracts from time that educators could be spending educating and caring for children.

Erin Harper et al. at Sydney University have published a study researching workload demands and contact and non-contact time for early childhood teachers and educators. They found:

“Educators wish for both more contact time and non-contact time, indicating that there is simply too much work to be done, both with and away from children. It is concerning that more educators reported undertaking non-contact work in a typical week, than those who reported receiving paid time for non-contact work. This indicates that some educators are either not receiving paid time to undertake their non-contact duties or perhaps are not contracted to undertake non-contact work but take on that workload

anyway.”¹²

Excessive paperwork demands take time away from children, impacting educators' ability to supervise children in their room. Working conditions do not reflect the responsibilities and regulatory requirements of these roles, either. Educators spend hours of unpaid overtime completing paperwork, recording, and planning educational and care activities, as well as updating parents on their child's development. Poor interpretation of the *Children's Services Award* by many service providers has meant it is common for planning time (2 hours per week) to only be allocated to the Room Leader.

This does not change the workload – rather it pushes critical planning and other documenting work into the time educators should be spending with children in the room, or into unpaid time. Educators are expected to plan a week's worth of learning for every child in their care that adheres to the NQF, so that it is age appropriate, and reflects the pedagogical approach of the LDC service. This is alongside other documentation requirements and the 'daily updates' for parents.

Additionally, educators are asked to complete other administrative tasks and cleaning, which further restricts the level of supervision educators can provide in the room. Educators shouldn't be cleaning the service, because they should be engaging with the children, delivering early learning and supervising those in their care.

One Victorian educator told us:

“I've worked in the industry for over 10 years and have never seen so many educators stressed, burnt out, overwhelmed to the point of tears, underappreciated by the company, dissatisfied and openly talking about how they just can't do this anymore, and are considering leaving the industry. With [ECEC provider] being in the news lately for very negative reasons I knew there would be a fallout and our jobs would become much more stressful. If this stress was ultimately going to protect children I would be all for it but I feel this stress is just going to run the good educators out of the industry even more than what is currently happening, leaving the industry with educators who just don't care.

The amount of work pressure, extra paperwork and courses to be done in our own time is ludicrous and, in my opinion, pointless. We are told to spend more quality time with the children yet then told to do paperwork, insane planning standards with no

planning time, clean centres as [ECEC provider] don't hire cleaners. Although as an obvious fallout of current bad media we are lucky enough in the past few months to have cleaners come on a Friday night. This is the first time in 10+ years I've worked with [ECEC provider] (on and off) that they've employed cleaners and not had their staff try and clean while children were still at the centre as an obvious money saving tactic.

In my opinion [ECEC provider] are taking little accountability for their part in what is so wrong with the industry or really proactively addressing the issues and downfalls that have allowed awful incidents to occur, that have allowed standards to drop to substandard levels, who have driven and are driving good educators out of the industry. We are expected to document and plan like [B]achelor qualified teachers while being paid a substandard wage. I've always stayed in the industry due to a passion to educate children and the reward of seeing children blossom and grow. However, it's beginning to feel like that's just not enough to turn up each day and deal with the stress and pressures of the job while my mental, physical, emotional well-being is taking a blow. And I know I'm not the only educator to feel this way."

Reducing churn and staff turnover in the sector, as well as reducing casualisation, is critically important for the quality of early childhood education provided by a service. It is equally important for child safety.

Safety, pay and conditions of workers in the ECEC sector

UWU welcomed the Federal Labor Government's moves in its first term to stabilise educator turnover in the sector by funding a 15 per cent pay increase. In 2023 UWU ECEC members fought for and won the first ever first ever supported bargaining authorisation for the sector. The *Early Childhood Education and Care Multi-Employer Agreement 2024-2026* covered 64 employers and gave over 12,000 employees access to the 15% pay increase.¹³ As of 30 September 2025, this increased to 508 employers and over 45,900 employees as per the Fair Work Commission's (FWC) decision on the latest tranche of applications.¹⁴ UWU is aware of additional providers who are applying to be covered. Similarly, the *Goodstart Early Learning Enterprise Agreement 2024* (for the largest ECEC provider in Australia), negotiated with the UWU, covers over 15,500 employees and also gives them access to the 15% pay increase.

For a long time, UWU educators have advocated for an increase to wages in the *Children's Services Award*. In April 2025 educators had a victory, with the FWC finding that the work of educators under the *Children's Services Award* has long been undervalued and that educators

should receive a pay increase. The FWC is now in the process of determining transitional arrangements and the implementation timeline.

While low wages are not the only problem in the ECEC sector, attraction and retention of staff to meet the current workforce shortages in the sector is nigh on impossible without improved wages. As aforementioned, staff turnover is a serious issue in the context of child safety and the quality of early childhood education delivered in services. Improved pay and conditions reward educators for pursuing a career in ECEC and promotes the professionalisation of the workforce.

Professional development

Access to ongoing professional development is an important factor in ensuring high quality, best practice early learning is delivered in Australian services. Improving access to professional development would lift the quality of early learning delivered, empower workers through developing their skills and encourage them to remain in the sector. Yet, educators are currently paying out of their own pocket or not being provided access to professional development altogether. This is despite educators calling out for it, recognising its importance in developing their practice and skills, supporting children's emotional development and aiding an understanding how children learn at a young age. Over 40% of educators in the Quality and Safety Census reported never receiving professional development training through their employer.

ECEC providers should be investing in their workforce, yet private for-profit providers are spending significantly less, as a proportion of revenue, on their staff than not-for-profit and government providers. For example, Goodstart spent 75% of its revenue on employee costs in 2024, whilst Affinity Education spent 57% of its revenue on employee costs in the same year.¹⁵ This is despite the billions of dollars of private investment Affinity's owner Quadrant Private Equity raises through its funds.¹⁶ And yet, as the 2025 reporting from ABC's Four Corners found, Affinity centres *have 'occupancy targets, wage targets, labour targets, revenue and profit targets'*, with educators and Centre Directors put under massive pressure to achieve them.¹⁷ Educators should be able to access professional development in paid time, with sufficient staff to backfill shifts so that they can attend. By spending less on labour, and only operating to minimum ratios to increase profit margins, providers do not support educators to be able to access paid professional development. This puts the burden on educators to seek to improve their skills and knowledge in their own time, if they have the resources (both time and money) to do so.

A lack of investment in workers – the backbone of the sector – is one outcome of a system that prioritises profit over safety and quality, while private investors, shareholders and executives reap the benefits of a government-funded sector.

The Inclusion Support Program requires substantial reform

A fully funded and accessible Inclusion Support Program (ISP) matters for inclusion and child safety. However, the current program is not meeting the needs of children, nor is it supporting educators to deliver safe, high quality ECEC.

As noted by the Productivity Commission in its 2024 report on ECEC, the ISP is predominantly used as a form of support for children with a disability.¹⁸ The ISP's scope has become more limited over time despite the intention of the program being one of broad inclusivity for culturally and linguistically diverse children, children with disability, and for mental health, trauma and other forms of support that children might need in ECEC.¹⁹ Educators are reporting that formal diagnosis of young children in their centres is a significant barrier to a service receiving funding for additional educators through the ISP. This is supported by the findings of the Commonwealth Department of Education's Review into the ISP conducted in 2023.²⁰ It may take years for a child to receive a diagnosis due to a combination of factors; the child may be too young to receive a diagnosis, the parents may be hesitant to pursue a formal diagnosis for their child, and if parents are going through the public system it may take years due to specialists' waitlists. Often, by the time a child has received a diagnosis, they are the age to begin schooling. This is not to mention additional barriers for families in regional and rural Australia, or First Nations families in remote communities. A holistic view of a child's circumstances means there might be more than one type of support that is needed – family circumstances are complex. If there is no diagnosis and no support through the ISP, and if providers are not able or willing to cover the additional cost of inclusion support, the extra work falls on educators. This is happening far too often.

Compounding these problems, wait times for the ISP have blown out as applications have increased, and services are waiting weeks if not months for funding. The workforce crisis (and the use of 'under-the-roof' ratios) has also created acute problems where ISP educators are used in centres to cover breaks of other staff, and to meet ratio in the room, negating the support an extra educator would provide. This is not fair on the educators nor the child that needs and deserves support.

The ISP must be fully funded to support educators to deliver inclusive early education and care for all children, regardless of whether they have a formal diagnosis. This may be through

additional educators, or other required resources. This will reduce the workload burden on educators in the sector, and support child safety by reducing burn-out, churn and increasing staffing levels in services.

The introduction of the Thriving Kids program is an opportunity to improve support for children with disability in early learning services – however this program must be aligned with and work cohesively with the ISP (and any future reforms to that program), and the ECEC funding system. The Victorian Government should advocate for such an approach to be taken in the design of Thriving Kids, as it will most likely interact with state services as well.

(f) whether there is sufficient oversight of the Department of Education and the role it plays in monitoring and maintaining child safety;

(g) any other matter in relation to the adequacy, implementation, compliance and/or enforcement of child safety standards and regulations in the ECEC sector.

Reporting pathways must be clear and transparent

Educators must feel empowered and adequately supported so that they can confidently report incidents relating to child safety without fear. Those reporting mechanisms must be clear, accessible and transparent. In the Quality and Safety Census, more than half of educators did not feel comfortable raising issues of concern at their centre. When they did raise concerns, two-thirds felt unheard. Yet it is often only through the reports of ECEC workers themselves that problems and abuses in the sector have come to light, because regulators have been unresponsive at times. Educators have reported a lack of clarity on reporting in services, and worse, have been discouraged from reporting by management or have reported to the regulator and not heard back.

Trust in the reporting process in the sector can be strengthened by increased transparency and accountability of regulators. Families and educators should be able to have access to information on compliance (current or historic) or enforcement action taken against the service or provider, particularly for the use of waivers. In addition, other information should also be reported on including if staffing ratios are being met consistently, staff turnover rates, reliance on agency or casual staff and the percentage of trainees in the workforce.

Families and educators should feel confident that services are operating as per the National Law, Regulations and the National Quality Framework (NQF). Greater transparency and accountability would drive improvements across the sector.

Educators are well placed, as they are working in services every day, to be able to report

breaches and child safety incidents, yet they are not empowered to do so.

In response to educators feeling unheard by their employer and the regulator, UWU launched the EarlyEd Quality Check (EEQC) online tool in August 2025.²¹ It is designed by educators, for educators, and is a way for workers to publicly share the issues occurring in their centre. As of 25 November 2025, there are over 1,200 reports made by educators, overwhelmingly about staffing (664), but educators are able to make reports of underpayments and other issues.

One educator working at a for-profit service made this report through the EEQC:

“This service is consistently understaffed and at times does not meet minimum ratios. Understaffing often results in educators not receiving mandatory lunch breaks, with rest breaks forgone completely.

Educators are not consistently provided with suitable programming time, leading to burnout, declining mental and physical health, and unpaid work being completed in personal time. Those who struggle to maintain their workload under these conditions face reprimand from management. Staffing is reduced wherever possible as a cost-saving measure, with decisions prioritising profits and lower wages over educator wellbeing and child safety.

As a result, children have at times been left unattended, been involved in serious physical altercations, and suffered injury due to lack of supervision by inexperienced or insufficient staff. In some cases, management has failed to enact refusal of care procedures for children posing imminent risk to their peers, and services often lack appropriate resources for early intervention and support.

Children’s physical and emotional needs are consistently being unmet due to inadequate staffing arrangements and lack of systemic support.”

Another educator reported:

“Educators are given a big paperwork load. They are rarely given planning time. Many staff do it at home and it has become the expectation. No study time is given to trainees. It’s very clear image and profit are this company’s number one priority. Staff often have to work overtime so we can continue to meet ratios but staff are not paid

for the overtime.

Ratios are not always met. We run at capacity but have the minimal number of staff on per day. I think the problem is the company rather than the staff in the centre.”

There must be clear, accessible avenues for educators to report safety incidents and breaches, and that reform in this area is urgently required. UWU recommends the creation of a child safety and quality officer to support and empower educators to report to the regulator, as detailed below.

Child safety and quality officer

UWU welcomes Recommendation 22 of the Rapid Review into Child Safety; *give ECEC workers the confidence to raise concerns*. Educators are the experts on the ground and need to be empowered with information and support to be able to act effectively on safety. Even the best funded regulator cannot be in every service every day. According to the latest ACECQA data, 8% of services in Victoria do not even have a quality rating yet.²² Educators do not have access to easy, clear pathways to report, and at worst have been discouraged by management to do so or never heard back from the regulator.

However, to support educators to report, and encourage a culture of child safety in services, UWU recommends a child safety and quality officer in every centre, with the information and skills to hold providers accountable on staffing. Child safety and quality officers must have access to training and strong protections from reprisal so they can support educators without fear. Educators are uniquely placed to work with providers, regulators and governments to provide real-time monitoring of safety issues, raise the alarm when providers fall short, and take action to help make children safer. In the short time that the EEQC tool has been available to educators to report, the number of incidents reported and the serious nature of those incidents (particularly understaffing), underscores that the role of a child safety and quality officer is sorely needed to support and empower educators.

To succeed in the role of child safety and quality officer, educators need:

1. Training in safety and staffing regulations, and complaints processes.
2. Training in advocacy and support skills, by a body wholly independent of any employer with proven expertise and experience in industrial relations and representation in similar situations.
3. Strong protection from reprisal so they can support educators without fear.
4. Access to information about staffing levels, use of 'under-the-roof' ratios, the

composition of the workforce (numbers of employees who are permanent, casual, and agency casual), turnover, training, and professional development.

5. Clear enforcement mechanisms to ensure safe staffing levels are met.

A child safety and quality officer will support other educators to act. They will not act on behalf of other educators, nor will they make judgements about the validity of complaints. This role would not supersede or replace current obligations all educators have to keep children safe.

(c) the impacts of Victoria's predominantly privatised ECEC system, including a comparison with public, not-for-profit and cooperative models in terms of accessibility, affordability, safety and outcomes;

Profits in the early childhood sector

The private for-profit market of ECEC is at the root of the safety and quality problems we are facing in the sector. Public provision of early learning is the answer and should be the long-term vision for the sector.

According to the Productivity Commission's most recent Report on Government Services, total Federal, State and Territory Government funding was \$18.2 billion in 2023-24, up 17.4% on 2022-23 (including recurrent i.e. ongoing funding through the CCS and preschool programs, and capital expenditure).²³

The scale of government funding flowing to a predominantly for-profit sector is deeply concerning. Stock market investors and foreign investment funds are key players in Australian ECEC. Stories of floats, mergers and acquisitions in the sector permeate the financial press. CEOs pocket eye-watering salaries and owners enjoy windfall profits as companies change hands regularly. Amid the murky dealings of private equity funds, multimillion dollar transfer payments to overseas headquarters can be identified while no tax is paid in Australia.²⁴ The sale of Guardian Early Learning by its private equity owners Partners Group (once again reported to be on the market after being postponed due to the Productivity Commission and ACCC inquiries) is expected to reach \$1 billion.²⁵

The Centre for International Corporate Tax Accountability and Research (CICTAR) has also highlighted the extraction of government funding through rents charged by ECEC property landlords. CICTAR estimates \$2.7b in rent is extracted from the early learning sector each year.²⁶ Opaque corporate structures, such as trusts, used by these landlords to obscure their business models and financial information, coupled with ratchet clauses and the responsibility

of maintenance and repairs pushed onto ECEC providers means the ECEC property sector is becoming “increasingly predatory”.²⁷ This is likely to impact the quality of early learning in the sector, where “non-profits are pushed out of certain markets while for-profit providers expand rapidly”.²⁸

All this government funding should be going to improved quality ECEC, unfortunately there is every indication that the opposite is the case. Private interests have no requirement to invest their profits in the interests of children’s learning, to the detriment of child safety and educational outcomes.

Regulation of private for-profit providers

The Big Steps ‘Unsafe and Non-Compliant’ report revealed that for-profits were the worst-performing type of service when it comes to ensuring quality education and care for Australian children.²⁹ Reporting ongoing from March 2025 by the ABC has highlighted that safety and quality issues continue to be an issue, particularly in the for-profit sector.³⁰ Given this, there should be increased transparency requirements on providers to disclose the structure of their operations, and requirements to disclose on acquisitions and transfers of ownership.

The National Child Safety Review has also taken note of the opaque corporate structures that can hide ownership or control of multiple services. The National Child Safety Review’s Consultation Regulatory Impact Statement (CRIS) makes the comment that:

“[t]here is a risk that Regulatory Authorities cannot effectively monitor compliance with the NQF when there is an increasing number of services operating under different providers approved under the NQF that are held by the same entity”³¹

There are 7,220 approved providers in the sector, and 79% of those are approved to only operate one service.³² However, the proportion of large providers (25+ services) is growing, as is the proportion of private for-profit providers, with large providers operating 37% of services.³³ There are cases where it is not immediately clear to a layperson (or even to people with knowledge of the sector) that there are ownership or person with management or control (PMC) connections between an ostensibly single service to a larger group of services.

The current market model allows profit to take precedence over quality and safety, and there is little in the way of transparency despite billions of dollars in government funding through the CCS going to for-profit providers. Regulators should be well-resourced and proactive in pursuit of non-compliance in the sector.

UWU recommends a strong, nationally consistent penalty regime. There should be no second or third chances – mandatory action must follow serious breaches. There must be timely assessment of new services, and regular reassessments at mandated intervals. Victoria currently has the highest average across all states and territories of years between ratings for services rated 'Working Towards NQS'; of between 4-5 years.³⁴ Other states and territories, however, are not far behind. Delays in assessments for services 'Working Towards NQS' in NSW, QLD, WA and the ACT are all between 3-4 years.³⁵ Approximately, one in ten services have never been assessed, and this is estimated to be one in six in WA.³⁶ The Productivity Commission took the view that more than three years between assessments was too long, and asserted that increasing the frequency of assessments, particularly for those services rated as 'Working Towards NQS' as a "powerful tool to increase the quality of education and care that children receive".³⁷

UWU welcomes the commitment at the August meeting of Education Ministers to increase the frequency of assessments to an average of three years (and more frequently for those rated 'Working Towards' the NQS),³⁸ and would urge the Victorian Government to take steps towards ensuring the regulator can assess and reassess services within a reasonable timeframe.

Appropriate people with knowledge of the sector, the NQF, National Law and Regulations should be conducting assessments and reviews, visiting centres, and promoting child safety.

Public provision of ECEC is the solution

Publicly provided ECEC can deliver high quality early learning and care, provide direct, permanent jobs and ensure that all government funding is tied to delivering that service. Government and not-for-profit operated services are safer and of higher quality than private for-profit services, as found in UWU's 2021 safety report.³⁹ They are less likely to have a staffing waiver in place.⁴⁰ Children will be provided the high quality education they deserve, by a respected, skilled professional workforce.

Public provision of ECEC improves accessibility for all families and improves the quality of early childhood education through direct employment with secure jobs for educators. It would enable government to take a direct role in addressing the workforce issues outlined in this submission, and more effectively plan for the sector's future, including the capacity of the ECEC workforce as demand for services continue to increase.

The Victorian Government is already on the way to increasing public provision, as the first of

50 publicly operated LDC services have opened. UWU strongly urges the Victorian Government to continue on this path toward public provision of ECEC.

Conclusion

Educators have been calling for reform in the early childhood education and care sector for years. They feel passionate about their work and want every child in their care to feel safe and have the benefit of access to high quality early learning.

There are immediate changes that can be made at a state level to improve the safety and quality of early learning and care in the sector, and the Victorian Government can advocate at a national level for sector-wide reforms. Integral to improving child safety in the sector is a focus on safe staffing levels, and removal of 'under-the-roof' ratios.

The long-term vision of the sector should be focused on safety and quality, and this would necessitate a shift away from the current profit-driven market of ECEC, towards a system that is child-focused and recognises the invaluable contribution our educators make to the future of Australia. Public provision of ECEC is the solution to the problems the sector faces, and we would urge the Victorian Government to implement policies to realise that vision.

[Redacted signature area]

Yours sincerely,

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United Workers' Union

- ¹ 'Betrayal of Trust: Australia's Childcare Crisis', Four Corners (17 March 2025) <https://www.abc.net.au/news/2025-03-17/betrayal-of-trust/105063150>; 'Shaken toddlers and slapped babies: Documents expose childcare crisis', 7.30 (12 May 2025) <https://www.abc.net.au/news/2025-05-12/shaken-toddlers-and-slapped-babies:-documents/105284350>
- ² W8. Proportion of services with a waiver by jurisdiction and service type, ACECQA NQF Snapshot (1 October 2025) <https://snapshots.acecqa.gov.au/Snapshot/waivers.html>
- ³ W12. Proportion of long day care services with a staffing waiver by jurisdiction and quarter, ACECQA NQF Snapshot (1 October 2025) <https://snapshots.acecqa.gov.au/Snapshot/waivers.html>
- ⁴ Ibid.
- ⁵ W11. Proportion of services with a waiver by quarter and waiver category, ACECQA NQF Snapshot (1 October 2025) <https://snapshots.acecqa.gov.au/Snapshot/waivers.html>
- ⁶ Ibid.
- ⁷ Jobs and Skills Australia (2025). Occupation Shortage List, for Child Care Worker (ANZSCO code 421111) and Early Childhood (Pre-primary School) Teacher (ANZSCO code 241111), found at: <https://www.jobsandskills.gov.au/data/occupation-shortage/occupation-shortage-list> Accessed 21 November 2025. Noting that for both occupations there are worker shortages across every state and territory.
- ⁸ Jobs and Skills Australia (2024). 'The Future of the Early Childhood Education Profession', final report of the Early Childhood Education and Care Workforce Capacity Study, commissioned by the Federal Government. Pg. 114
- ⁹ Jobs and Skills Australia (2024). Pg. 120.
- ¹⁰ Ibid.
- ¹¹ Australian Skills Quality Authority (2025), Qualification Integrity Regulatory Action found at: <https://www.asqa.gov.au/students/qualification-integrity-regulatory-action>
- ¹² Erin Harper, Rachel Wilson and Susan McGrath-Champ. Workload demands, unpaid hours, and concerns about time with children: a survey of Australian early childhood educators. *The Australian Educational Researcher*. Published online 19 May 2025. <https://doi.org/10.1007/s13384-025-00847-z>
- ¹³ 'Landmark multi-employer deal wins approval', *Workplace Express*, 11 December 2024, <https://www.workplaceexpress.com.au/news/landmark-multi-employer-deal-approved-by-fwc-bench-80062>
- ¹⁴ Latest decision published by the Fair Work Commission on the Early Childhood Education and Care Multi-Employer Agreement 2024-2026 on 30 September 2025, found at: <https://www.fwc.gov.au/documents/decisionsigned/pdf/2025fwca3195.pdf>
- ¹⁵ Revenue and employee cost data calculated from Goodstart Annual Report 2025 found at <https://www.goodstart.org.au/getmedia/a4b19b45-febe-484a-ba68-448e60aa844e/2025-Goodstart-Annual-Report.pdf> pg. 47, and from Affinity Education's financial records submitted to ASIC (AEG TopCo Pty Ltd) for 2024.
- ¹⁶ About Quadrant Private Equity, accessed 21 November 2025. <https://www.quadrantpe.com.au/about>
- ¹⁷ <https://www.abc.net.au/news/2025-03-17/betrayal-of-trust/105063150>
- ¹⁸ Productivity Commission, A path to universal early childhood education and care: Inquiry report. 2024, p 62 <https://www.pc.gov.au/inquiries/completed/childhood/report/childhood-volume1-report.pdf>
- ¹⁹ Deloitte Access Economics, 'Review of the Inclusion Support Program: Final Report', on behalf of the Australian Government Department of Education (September 2023), Pg 6. Available at: <https://www.education.gov.au/early-childhood/resources/inclusion-support-program-review-final-report>
- ²⁰ 'Review of the Inclusion Support Program: Final Report', Pg xvii-xviii.
- ²¹ United Workers Union EarlyEd Quality Check <https://unitedworkers.org.au/ecec-quality-check/>
- ²² Victoria Summary, ACECQA NQF Snapshot (1 October 2025), pg 24 <https://www.acecqa.gov.au/sites/default/files/2025-11/NQF%20Snapshot%20Q3%202025%20FINAL.PDF>
- ²³ All costs and spending are in 2023-24 dollars.
- ²⁴ Conservative profit and revenue estimate is calculated from most recent publicly available data: Macdonald, A., Thompson, S. and K. Sood (2022). "Partners Group mulls mid-2023 exit for Guardian Childcare, RFP out", AFR 15 Nov. 2022; Macdonald, A., Thompson, S. and K. Sood (2023). "Quadrant PE readies Affinity graduation, invites banks for pitches", AFR 8 Mar. 2023; Roberts, J. (2023); 2021 financial reports from Think Childcare and Busy Bees prior to latter's takeover.
- ²⁵ Bridget Carter, 'Data Room: Childcare group up for grabs again,' *The Australian*, 7 October 2025.

²⁶ Adele Ferguson, 'Childcare landlords are collecting a staggering \$2.7b in rent every year while parents' fees rise', *ABC News Online*, 27 March 2025 https://www.abc.net.au/news/2025-03-27/childcare-real-estate-boom-profits-four-corners/105098462?utm_source=abc_news_app&utm_medium=content_shared&utm_campaign=abc_news_app&utm_content=other

²⁷ Ibid.

²⁸ Ibid.

²⁹ United Workers Union, *Unsafe and Non-Compliant: Profits Above Safety in Early Learning*, October 2021, pg. 7-8, available at: <https://bigsteps.org.au/wp-content/uploads/2024/02/unsafe-and-non-compliant-uwu-report.pdf>

³⁰ <https://www.abc.net.au/news/2025-03-17/private-childcare-centres-whistleblowers-abuse-four-corners/105058186>

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³² SS14: Number and proportion of providers by size, ACECQA NQF Snapshot (1 July 2025), <https://snapshots.acecqa.gov.au/Snapshot/stateofthesector.html>

³³ SS15: Number and proportion of services by provider size, ACECQA NQF Snapshot (1 October 2025), <https://snapshots.acecqa.gov.au/Snapshot/stateofthesector.html>

³⁴ Productivity Commission, 'A path to universal early childhood education and care: Supporting papers', *Inquiry into Early Childhood Education and Care (2023-24)*, pg. 499. Available at: <https://assets.pc.gov.au/inquiries/completed/childhood/report/childhood-volume2-supporting.pdf>

³⁵ Ibid.

³⁶ Ibid.

³⁷ Ibid.

³⁸ State, Territory and Federal Education Ministers Meeting Communique, 22 August 2025. Found at: <https://www.education.gov.au/download/19434/education-ministers-meeting-communique-august-2025/41840/document/pdf>

³⁹ United Workers Union (2021).

⁴⁰ W13: Number and proportion of long day care services with a staffing waiver by management type, ACECQA NQF Snapshot (1 October 2025), <https://snapshots.acecqa.gov.au/Snapshot/waivers.html>