

SUBMISSION

Inquiry into the Early
Childhood Education and Care
Sector in Victoria

NOVEMBER 2025

Select Committee on the Early Childhood
Education and Care Sector in Victoria

About the Front Project

The Front Project is a national, philanthropically-funded organisation that puts children and families at the centre. We work with the early childhood sector, government and business leaders to ensure the early childhood system lives up to what children and families want from it.

We believe in matching the quality of our nation's early childhood system with the high expectations we hold for all children. We want all families to have the opportunity to thrive, regardless of the challenges they face.

The Front Project works systematically to develop evidence-based, meaningful, and pragmatic policy solutions that create deep, sustained, and long-term change for greater impact.

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Acknowledgement of Country

The Front Project respectfully acknowledges the Traditional Owners of the land on which we work and learn, and pay respect to Elders, past and present. Sovereignty has never been ceded.

It always was and always will be, Aboriginal land.

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Introduction

The Front Project welcomes the opportunity to contribute to this Parliamentary Inquiry. We are a national organisation focused on improving outcomes for young children, and we strongly support reforms that make early learning services safer and more equitable for every child.

Every child has the right to be safe, cared for, and thriving. Safety, rights, and wellbeing must sit at the heart of Australia's early childhood education and care (ECEC) system, not as a focus only when things go wrong. Child safety is about more than compliance. It depends on how the system is designed, funded, and supported. Safe environments are created through stable and capable workforces, strong leadership, and policy settings that deliberately invest in quality, inclusion, and trusting relationships between educators, children, and families.

The *Victorian Rapid Child Safety Review* put it simply: *“The safety, rights and best interests of children must underpin all decision making in the ECEC system, from staff on the floor, right up to the boardrooms of service providers.”*¹

The Front Project welcomes the Victorian Government's commitment to implement all 22 recommendations of the Rapid Child Safety Review to strengthen safety standards in early childhood education and care. The agreement reached at the August meeting of Education Ministers, to make the safety and protection of children the highest priority for all governments, is likewise an important and welcome step.

The challenge now is to ensure these commitments translate into consistent, practical action backed up by funding and resourcing so that safety is embedded in every decision, every practice, and every level of accountability across the system.

Roles and responsibilities

Responsibilities for early childhood education and care are currently shared between the Commonwealth and state and territory governments. This shared model creates complexity and overlapping accountabilities, particularly in relation to quality, workforce, and safety oversight. Ensuring that commitments are implemented consistently across jurisdictions will require clear governance, adequate funding, and coordinated action.

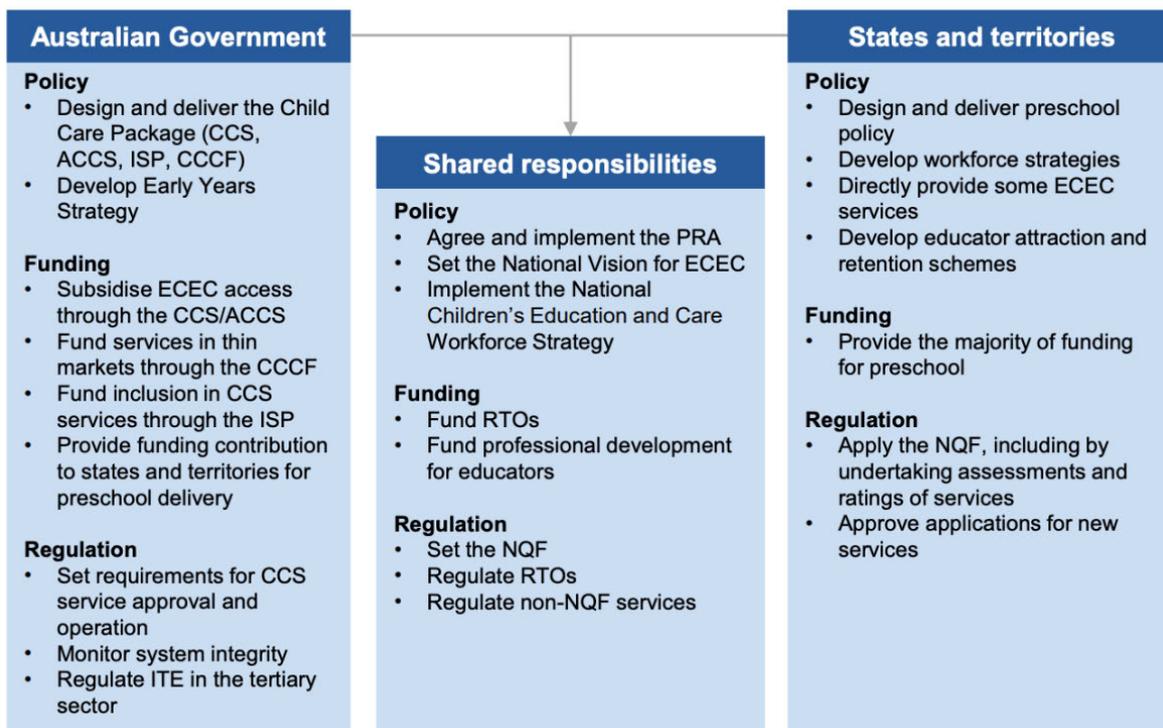


Figure 1. [Productivity Commission, Volume 2: Supporting papers – A path to universal early childhood education and care](#), p587.

Within this shared national framework, Victoria holds responsibility for regulating ECEC, funding kindergarten programs, and has begun directly investing in new public early learning centres. Through *Early Learning Victoria*, the Government currently operates four early learning centres that provide integrated long day care and kindergarten programs. This will expand to around 50 centres over time, representing a significant public investment in access, quality, and workforce stability. Apart from these 50 centres, Victoria does not directly fund or operate childcare services such as long day care or family day care. Responsibility for these services rests primarily with private and community providers and is supported through Commonwealth funding under the Child Care Subsidy. The state's investment in kindergarten programs includes:

- funding for educator pay and conditions
- infrastructure support such as Building Blocks grants and funding for local government planning,
- resources to lift service quality including School Readiness Funding
- inclusion support through Kindergarten Inclusion Support Program.

While Victoria's stewardship role is central to ensuring coherence and quality within the part of the sector it directly oversees -kindergarten programs - there is no equivalent stewardship for programs serving children from birth to three. This gap highlights the need for strong national stewardship to ensure consistency and accountability across the entire early learning system. The safety and wellbeing of children depend on coordinated effort across all governments. As the Productivity Commission and others have noted, the absence of a clear national steward creates an accountability vacuum that undermines consistency and limits the capacity of jurisdictions to deliver lasting improvements in safety and quality.

1. Responses to the terms of reference

(a) The adequacy of current quality and safety standards across all ECEC service types.

The adequacy of current quality and safety standards depends on two key factors:

- the effectiveness of the National Quality Framework (NQF) and the Child Safe Standards, and
- the strength of the supporting systems, including regulatory oversight, funding settings, and implementation by the regulator.

These operate within a complex ECEC system where responsibilities are shared across levels of government and where the interaction between law, funding, curriculum, and quality assurance mechanisms determines the consistency and effectiveness of quality and safety outcomes.

In simplest terms: the *Education and Care Services National Law Act* prescribe the quality and safety requirements, and the Victorian Regulator (specifically the *Quality Assessment and Regulation Division* of the Department of Education, to be known by its new independent name the *Early Childhood Education and Care Regulator*) measures compliance and performance against those requirements through assessment and rating, monitoring, and enforcement activities.

When we look specifically at safety of children in early learning, it can be understood along a spectrum from the most serious and reportable incidents through to the everyday practices that keep children safe. At one end are the most serious incidents: injury, trauma or illness requiring medical attention, a child going missing, or a death. These must be reported to the regulator and are published through the Report on Government Services, ACECQA's regulatory data, and in the Victorian Quality Assessment and Regulation Division's Annual Report.

According to the most recent RoGS data, Victorian ECEC services reported a serious incident rate of 126.4 per 100 services, below the national average of 148.1¹. Analysis by service type indicates that serious incidents occur more frequently in long day care settings than in other forms of early childhood education and care.

¹ Productivity Commission. (2025). *Report on Government Services*
<https://www.pc.gov.au/ongoing/report-on-government-services/2025/child-care-education-and-training/early-childhood-education-and-care/>

Per 100 NQF approved services (i)		NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust
By service type										
Centre based day care	rate	164.9	220.2	206.8	200.3	291.3	256.4	285.0	176.3	199.4
Vacation care	rate	0.8	1.4	–	–	0.2	–	4.7	–	0.7
Family day care	rate	127.7	47.9	83.3	153.3	118.8	520.0	140.0	–	95.3
OSHC	rate	86.1	47.9	137.9	53.4	125.4	56.0	230.6	147.3	86.1
Other care	rate	–	–	–	–	–	–	–	–	–
Preschool	rate	73.2	64.5	21.7	36.1	82.2	..	82.7	37.7	58.4
All service types	rate	138.2	126.4	172.4	151.8	180.5	193.8	235.0	121.6	148.1

Figure 4. [Report on Government Services](#), 2025, Table 3A.33

At the other end of the quality assurance spectrum, the Assessment and Rating (A&R) process provides a point-in-time evaluation of a service’s performance against the National Quality Standard, with Authorised Officers from the Department of Education assessing practices in teaching and learning, supervision, health management, child protection and more across seven quality areas and 40 elements of quality.

According to the most recent ACECQA snapshot², Victoria continues to lead nationally, with 95 per cent of early childhood education and care services meeting or exceeding the National Quality Standard.

	Significant Improvement Required	Working Towards NQS		Meeting NQS		Exceeding NQS		Excellent	Total
ACT	0	44	13%	153	44%	151	43%	2	350
NSW	5	421	7%	4,167	72%	1,145	20%	10	5,748
NT	2	46	21%	148	69%	18	8%	0	214
QLD	1	340	11%	2,280	73%	501	16%	6	3,128
SA	0	230	18%	677	54%	357	28%	0	1,264
TAS	0	39	18%	135	61%	47	21%	0	221
VIC	3	174	4%	3,136	70%	1,136	25%	8	4,457
WA	0	197	15%	1,079	81%	59	4%	0	1,335
TOTAL	11	1,491	9%	11,775	70%	3,414	20%	26	16,717

³ [National Quality Framework Snapshot](#), Q2 2025.

Beyond this point-in-time measure, it is also important to look at how quality ratings change over time to determine whether the NQS and associated systems are fit-for-purpose. Are they lifting quality and outcomes for children?

² Australian Children’s Education and Care Quality Authority. (2025). *NQF Snapshot Q2 2025*. <https://www.acecqa.gov.au/sites/default/files/2025-08/NQFSnapshotQ22025.pdf>

³ Australian Children’s Education and Care Quality Authority. (2025). *NQF Snapshot Q2 2025*. <https://www.acecqa.gov.au/sites/default/files/2025-08/NQFSnapshotQ22025.pdf>

In Victoria, quality has been steadily improving, with more services meeting or exceeding the standards and fewer services needing significant improvement.

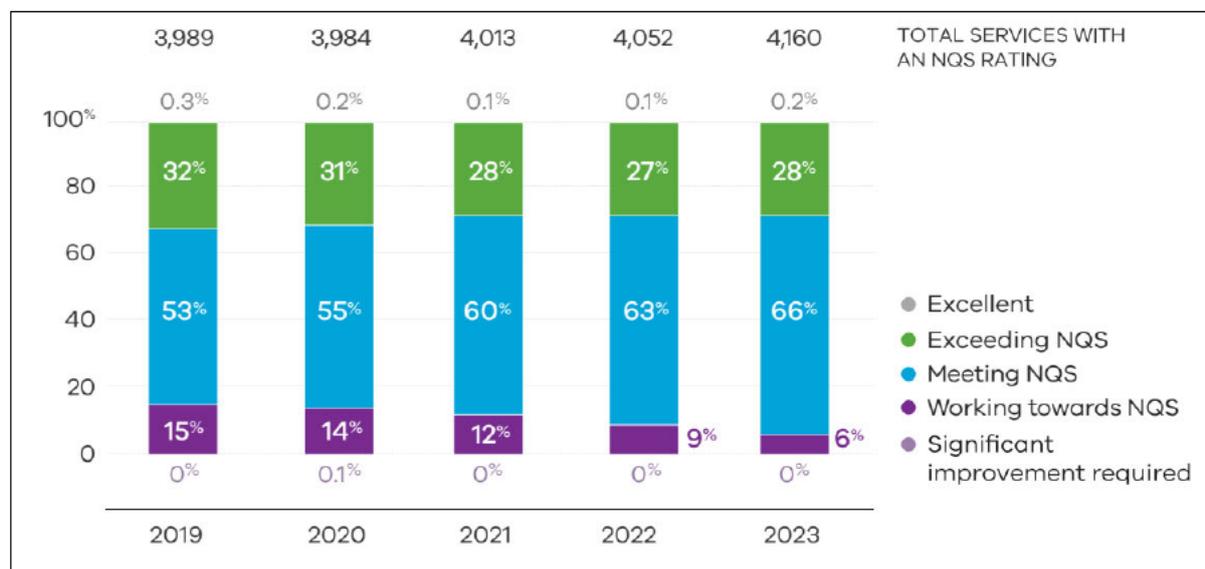


Figure 5. Quality Ratings of all Victorian ECEC services 2019-2023.⁴

But there remains a stark difference between quality ratings across different service types. In 2023, 58 per cent of kindergartens were exceeding the NQS compared to 23 per cent of long daycare services.⁵ These differences reflect the stronger system stewardship surrounding kindergarten, where workforce conditions, planning time, and professional learning are intentionally supported through state government investment and funding arrangements.

At a national level, these trends are mirrored. The current ACECQA snapshot shows that most services improve their quality rating at their next assessment. Sixty-nine per cent of services previously rated Working Towards move up to Meeting or Exceeding, while 13 per cent of those rated Meeting progress to Exceeding. However, of those services rated Working Towards, a significant proportion, around 30 per cent, remain at Working Towards even after reassessment. Although Victoria’s longitudinal ECEC data is publicly accessible, the way it is reported makes it difficult to analyse trends or evaluate quality improvement over time. But if national trends are indicative, it is reasonable to infer that approximately one-third of Victorian services may continue to operate below the National Quality Standard, without demonstrated improvement in practice or outcomes for children.

⁴ Victoria Department of Education, 2023, Quality Assessment and Regulation Division Annual Report, 18. https://www.education.vic.gov.au/Documents/childhood/providers/regulation/DET_QARD_AnnualReport_2023.pdf

⁵ Ibid

		Rating after reassessment				Improvement rate
		Significant Improvement Required	Working Towards NQS	Meeting NQS	Exceeding NQS	
Rating before reassessment	Significant Improvement Required	17%	69%	14%	0%	83%
	Working Towards NQS	1%	30%	59%	10%	69%
	Meeting NQS	0%	14%	73%	13%	13%
	Exceeding NQS	0%	8%	44%	48%	-

Figure 5. Rating after reassessment, Q1 2025.⁶

While these measures of quality and safety are valuable, they offer only snapshots. What remains missing is a consistent picture of everyday practice and less severe but still significant health and safety events. This gap makes it difficult to fully understand the safety environment children experience on a daily basis, even as compliance ratings appear high.

Why does this matter?

The Australian Education Research Organisation’s analysis of quality rating and child development showed a clear connection: children attending Meeting services have better outcomes than those attending Working Towards.⁷ And children attending Exceeding services have better outcomes than those in Meeting Services.⁸ Children need a system and services that invest in sustained quality uplift.

Victorian Quality Uplift Program

In response to persistent quality gaps and the need for stronger support beyond compliance, the Victorian Government established the Kindergarten Quality Improvement Program (KQIP) in 2018⁹, also referred to as the Quality Uplift Program to help services move from Working Towards to Meeting or Exceeding the National Quality Standard. The program provides intensive, practice-based support focused on leadership, pedagogy, and service capability. It targets services that have not yet met the National Quality Standard, with a particular emphasis on those serving children experiencing disadvantage. It is accessible to both stand-alone kindergartens and long daycare centres.

⁶ Ibid

⁷ Australian Education Research Organisation. (2024). *Linking quality and child development in early childhood education and care*
<https://www.edresearch.edu.au/sites/default/files/2024-06/linking-quality-and-child-development-in-ecec-technical-report.pdf>

⁸ Ibid

⁹ Kindergarten Quality Improvement Program. 2025. *Kindergarten Quality Improvement Program*.
<https://www.vic.gov.au/kindergarten-quality-improvement-program>

The program operates in two structured phases. The first six months focus on leadership and governance, working with Approved Providers, Service Directors, and Educational Leaders to strengthen management capability and build the conditions for high-quality practice. The following eighteen months provide intensive coaching and mentoring for teachers and educators, concentrating on curriculum, teaching practice, and reflective pedagogy. Local Area Partnerships and departmental regional support teams work closely with services to tailor professional learning to service-level data and needs.

The 2024 evaluation found that the Kindergarten Quality Improvement Program effectively raises service quality, strengthens leadership, culture, and a whole-of-service approach, and helps with staff retention and recruitment. The Victorian Rapid Review reinforced this approach, noting that quality improvement is itself a lever for safety.¹⁰ It recommended expanding programs like KQIP nationally to close the “missing middle” between compliance monitoring and everyday practice improvement.

Regulatory capacity and resourcing

The effectiveness of the regulatory system is undermined by long gaps between Assessment and Rating visits, which currently average around 3.5 years as identified by the Victorian Rapid Review.¹¹ This means regulators are not providing timely oversight and are instead forced to rely heavily on complaints rather than proactive monitoring.

This was raised by the Productivity Commission, which noted that in some jurisdictions the timeframes become “unacceptably long,” undermining the credibility of quality ratings. The Victorian Rapid Review also found that regulatory oversight is both inconsistent and under-resourced and criticised the withdrawal of Commonwealth funding for state and territory regulators in 2018.¹²

That decision cut \$61 million in joint Commonwealth–state/territory funding under the National Partnership on the National Quality Agenda for ECEC, just as the sector was expanding and ownership structures were becoming more complex. It is promising to see more recent funding commitments in recognition of the current safety challenges: \$189 from the federal government¹³ and \$42 million from the state government.¹⁴

Fragmentation and coordination

Despite recent funding commitments, accountability in early childhood regulation remains fragmented. With no clear division of responsibilities between the Commonwealth and the states and territories, oversight is stretched and inconsistent. States and territories carry the bulk of the regulatory task but do so without a coherent line of sight to Commonwealth leadership or investment. Meanwhile, the Commonwealth sets national ambitions yet lacks mechanisms to ensure that regulatory practice on the ground aligns with those ambitions.

¹⁰ P. White PSM and J. Weatherill AO. (2025). *Rapid Child Safety Review*
<https://www.vic.gov.au/sites/default/files/2025-09/Rapid-Child-Safety-Review-2025.pdf>

¹¹ Ibid

¹² Ibid

¹³ Education Ministers Meeting. 2025. *Education Ministers Meeting Communique*.
<https://www.education.gov.au/download/19434/education-ministers-meeting-communique-august-2025/41840/document/pdf>

¹⁴ Premier Allen. (2025). *Child Safety Overhaul*.
<https://www.premier.vic.gov.au/child-safety-overhaul>

Without shared accountability, the system risks remaining reactive and piecemeal rather than cohesive, transparent, and nationally aligned.

Oversight of ECEC is further fragmented across ACECQA, state and territory regulators, and separate systems for Working with Children Checks and reportable conduct. The Productivity Commission recommended establishing an independent national ECEC Commission to guide Australia's transition to universal, high-quality early learning.¹⁵ Such a body would be pivotal in ensuring coordinated reform delivery and clear regulatory accountability across jurisdictions. The Victorian Rapid Child Safety Review similarly identified this lack of coordination as a significant weakness in safeguarding children.¹⁶

(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.

The quality of Victoria's ECEC workforce is central to delivering safe environments and positive outcomes for children. This relies on the strength and coordination of the systems that shape how educators gain qualifications, enter the workforce, keep developing their skills, and meet child safety requirements.

Qualifications and Training

In Victoria, oversight of educator qualifications is shared across national and state regulatory bodies.

- The Australian Children's Education and Care Quality Authority (ACECQA) is responsible for approving early childhood education and care (ECEC) qualifications nationally under the *Education and Care Services National Law and Regulations*, ensuring that programs meet the qualification requirements of the *National Quality Framework*.
- The Australian Skills Quality Authority (ASQA) regulates Registered Training Organisations (RTOs) that deliver nationally recognised vocational qualifications such as the Certificate III and Diploma of Early Childhood Education and Care. ASQA oversees compliance with the *VET Quality Framework*, including standards for training and assessment.
- In Victoria, the Victorian Registration and Qualifications Authority (VRQA) regulates RTOs that deliver training solely to Victorian students within the state. The Victorian Government also sets additional quality and funding requirements for RTOs that receive government support through initiatives such as *Skills First*.
- The Tertiary Education Quality and Standards Agency (TEQSA) regulates higher education providers, including universities that deliver Bachelor-level early childhood teaching degrees, ensuring programs meet national academic and professional standards.

¹⁵ Productivity Commission. (2024). *A path to universal early childhood education and care Inquiry Report*.

<https://www.pc.gov.au/inquiries-and-research/childhood/report/>, 3

¹⁶ P. White PSM and J. Weatherill AO. (2025). *Rapid Child Safety Review*

<https://www.vic.gov.au/sites/default/files/2025-09/Rapid-Child-Safety-Review-2025.pdf>

Together, ACECQA, ASQA, TEQSA, and the VRQA (in Victoria) maintain the integrity and consistency of the qualifications that underpin Australia’s early childhood education and care workforce.

High-quality training, professional learning, and qualification pathways are fundamental to sustaining a capable and stable ECEC workforce. The most recent dedicated study of the ECEC workforce, undertaken by Jobs and Skills Australia through HumanAbility¹⁷, provides a comprehensive picture of the current state and future needs of the sector, offering evidence and insights to inform government strategy and workforce planning. It identifies persistent inconsistencies in the quality of training delivery and limited oversight of RTOs, alongside barriers to accessing meaningful professional development.

It is worth noting that HumanAbility is currently reviewing and updating the Certificate III and Diploma level qualifications in partnership with the federal government. This project will update these qualifications to align with current and emerging sector needs. HumanAbility is also working with the Department of Education and the Department of Employment and Workforce Relations to consider recent reports and ensure the ongoing relevance of these qualifications.¹⁸

As training and qualifications are largely areas governed by national regulatory bodies, Victoria’s capacity to influence or reform workforce training quality and qualification oversight is constrained, underscoring the importance of strong intergovernmental collaboration and national leadership in workforce development.

Victoria’s workforce strategy and initiatives

The main area where Victoria *can* exert its influence is kindergarten programs. Through its direct funding of two years of kindergarten for three- and four-year-olds in both stand-alone sessional preschools and long daycare, the Victorian Government holds strong policy levers over the kindergarten workforce. It exercises those levers through:

- Funding agreements with kindergarten providers and the *Kindergarten Funding Guide*¹⁹, which set program and staffing requirements.
- A dedicated *Best Start, Best Life* workforce strategy²⁰ backed by targeted initiatives delivered by the Department of Education.
- Funding for the benchmark industrial agreements that apply to the vast majority of kindergarten teachers and educators and deliver pay and conditions that align closely to Victorian school teachers and support staff.

Victoria is highlighted in the JSA report as a leading jurisdiction in advancing workforce development initiatives. The state demonstrates effective models of collaboration between tertiary providers and government to align qualifications with workforce needs, including

¹⁷ Jobs and Skills Australia. (2025). *The Future of the Early Childhood Profession*
[https://www.jobsandskills.gov.au/sites/default/files/2025-02/The Future of the Early Childhood Education Profession %E2%80%93 Extended Report.pdf](https://www.jobsandskills.gov.au/sites/default/files/2025-02/The_Future_of_the_Early_Childhood_Education_Profession_%E2%80%93_Extended_Report.pdf)

¹⁸ Humanability. (2025). *Early Childhood Education and Care Qualifications Review*
<https://humanability.com.au/projects/early-childhood-education-and-care-qualification-review.aspx>

¹⁹ *Kindergarten Funding Guide*, 2025

²⁰ Victoria Department of Education. (2025). *Best Start, Best Life Workforce Strategy*
<https://www.vic.gov.au/sites/default/files/2023-12/Best-Start-Best-Life-Workforce-Strategy.pdf>

targeted programs for diverse cohorts²¹, innovative university-led programs supporting regional teacher training and placements through mentorship²², and strong leadership in embedding cultural safety and local training capacity through Aboriginal community-controlled organisations such as Bubup Wilam²³.

Professional Development

Ongoing professional learning is essential for maintaining quality practice and meeting National Quality Standard expectations. In Victoria, professional development opportunities are supported through the Department of Education's *Best Start, Best Life* workforce initiatives and are often supported by funding for time release and backfill. They include:²⁴

- Mentoring, coaching and support for beginning teachers.
- Early years networks and professional practice communities.
- Professional development for leaders and mentors.
- Teacher and Educator conferences.
- Specific support and training on areas such as inclusion, cultural and linguistically diverse families, families from refugee backgrounds, literacy and numeracy, STEM and many more.

However, access and quality remain uneven due to complexities of employment structures and industrial conditions. Educators in sessional kindergarten programs often benefit from stronger funding and professional learning cultures, whereas those in long day care settings may have limited opportunities for structured professional growth. The enterprise agreements for kindergarten staff provide dedicated time-release for professional development (similar to school teachers); arrangements in long daycare often depend on the individual provider.

Working with Children Checks and workforce safety

The Working with Children Check is a critical element of the child-safety framework. In Victoria, the scheme is administered by the Department of Justice and Community Safety and is generally effective in screening individuals with criminal histories. However, the Victorian Rapid Review²⁵ found that the WWCC alone is not sufficient to ensure child safety. It primarily identifies criminal offences and does not adequately capture patterns of inappropriate behaviour, boundary violations, or emerging concerns that fall short of criminal conduct. The Review highlighted significant fragmentation between WWCC systems, reportable conduct schemes, and ECEC regulatory oversight. This lack of coordination can delay information sharing and weaken early intervention responses when concerns arise.

Since the Review, the Victorian Government has committed to aligning its WWCC system with the national framework being progressed by the Standing Council of Attorneys-General. This work aims to establish a nationally consistent WWCC, improve data sharing across

²¹ Ibid

²² Ibid 101

²³ Ibid 105

²⁴ [Professional learning and support for early childhood professionals.](#)

²⁵ P. White PSM and J. Weatherill AO. (2025). *Rapid Child Safety Review*
<https://www.vic.gov.au/sites/default/files/2025-09/Rapid-Child-Safety-Review-2025.pdf>

jurisdictions, and integrate screening information with the forthcoming National Educator Register, which will track who is working in early childhood services in real time.²⁶

(b) 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.

The incentives driving the ECEC market have profound implications for quality, safety, and equity. Profit motives are not inherently good or bad. They can bring access to capital and enable rapid expansion of services, but they can also create pressures that compromise quality and safety if not carefully managed. Evidence from reviews, inquiries, and sector research shows that profit-driven incentives can sometimes run counter to the conditions children need to thrive. At the same time, there are many examples of high-quality for-profit providers, just as there are not-for-profits that fall short.

This Inquiry is an opportunity to build a more sophisticated conversation about the role of for-profit and not-for-profit providers. For-profit services play an important role in the sector, but they are overrepresented in areas associated with lower quality and higher safety risks. Governments can respond by introducing stronger transparency and accountability requirements, including public reporting on quality, governance, and workforce investment, and by using funding levers, through contracts, grants, and capital programs, to reward providers that demonstrate strong performance on safety and quality.

A balanced, evidence-based approach would go further than broad labels of “for-profit” or “not-for-profit” to examine how incentives shape provider behaviour in practice: decisions about staffing levels and rostering, workforce investment, leadership incentives, and approaches to compliance and risk management. This would give providers and their boards clearer governance signals, give regulators more targeted insights to support effective oversight, and equip policymakers to design smart, proportionate interventions that strengthen safety and quality across the whole system.

Market-driven risks to quality, safety, and child outcomes

The Victorian Rapid Child Safety Review found that over the past decade, the market has been left to respond to financial incentives that do not drive investment in quality, safety, or a stable workforce. It highlighted that for-profit long day care services were more likely to be rated Working Towards NQS, including in Quality Area 2 (child health and safety), and concluded starkly: “While the current market-driven model for ECEC remains, the risks to quality and safety... will persist.”²⁷

The Front Project and Mandala’s *Paving the Path* report reached similar conclusions. It found that long day care supply growth has been concentrated in wealthier metropolitan areas where

²⁶ National Office for Child Safety. (2025). *Working with children check reform*
<https://www.childsafety.gov.au/what-we-do/working-children-check-reform>

²⁷ P. White PSM and J. Weatherill AO. (2025). *Rapid Child Safety Review*
<https://www.vic.gov.au/sites/default/files/2025-09/Rapid-Child-Safety-Review-2025.pdf>

families can afford higher fees.²⁸ For-profits, which now operate 70 per cent of all LDC services (up from 60 per cent in 2013), were more likely to cluster where margins were highest, leaving disadvantaged communities underserved.²⁹ The report also showed clear differences in quality by provider type: 28 per cent of not-for-profit centres were rated above NQS compared with just 15 per cent of for-profits, while for-profits were nearly twice as likely to be rated below NQS.³⁰

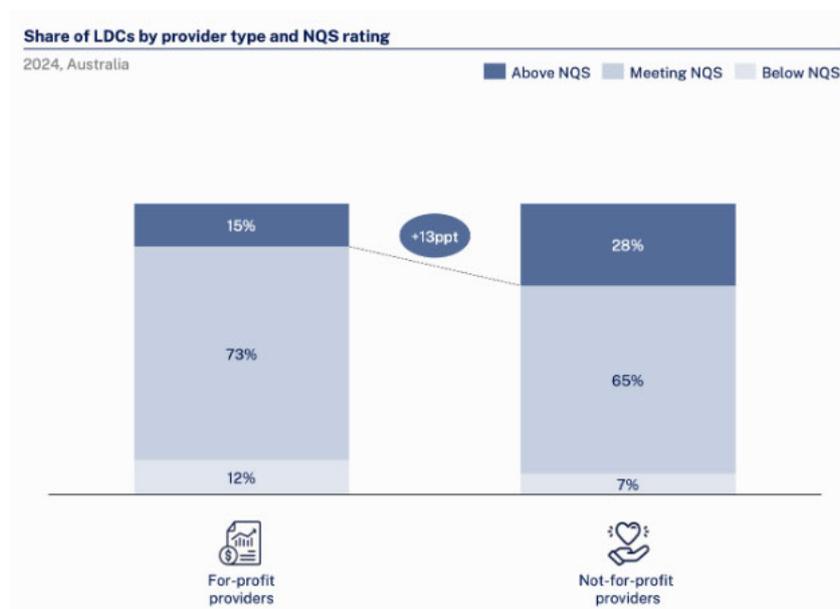


Figure 10. Long-day care NQS quality rating by provider type.³¹

Evidence from AERO’s national study, summarised in the Front Project’s *The NQF Works*³², demonstrates why these findings matter. Children attending services rated Exceeding NQS had consistently lower rates of developmental vulnerability than those in Meeting or Working Towards services.³³

Research also highlights how profit incentives can undermine compliance. The UWU *Unsafe and Non-Compliant* report found that since 2015, for-profit providers have overwhelmingly dominated non-compliance activity³⁴. Of just over 12,000 enforcement actions taken against early learning centres, 74 per cent involved for-profit providers.³⁵

Taken together, the evidence shows that the structural risks are not just theoretical, they translate into measurable differences in children’s safety, wellbeing and development.

²⁸ Mandala and the Front Project. (2024). *Paving the path: addressing market imbalances to achieve quality and affordable childcare in more places*

[https://www.thefrontproject.org.au/images/research/Paving the path - final report TFP.pdf](https://www.thefrontproject.org.au/images/research/Paving%20the%20path%20-%20final%20report%20TFP.pdf)

²⁹ Ibid

³⁰ Ibid

³¹ Ibid

³² The Front Project. (2024). *The NQF Works! Policy Explainer*

<https://thefrontproject.org.au/impact-foundry/research/333-the-nqf-works-policy-explainer>

³³ Ibid

³⁴ United Workers Union. (2021). *Unsafe and Uncompliant*

<https://unitedworkers.org.au/wp-content/uploads/2022/11/unsafe-and-non-compliant-uwu-report.pdf>

³⁵ Ibid

Policy and regulatory shifts

Governments are beginning to respond. We welcome Education Ministers' commitment to tightening market entry requirements and expanding cross-jurisdictional information sharing to detect poor compliance. The federal *Early Childhood Safety Bill* gives regulators new powers to suspend or cancel Child Care Subsidy payments after serious breaches, sharpening the financial consequences of unsafe practices. These are welcome steps, but further reforms are required to realign market incentives with children's safety and wellbeing.

(c) The impact of workforce conditions, such as pay, job security, workload and recognition on educator wellbeing, retention and service quality.

Workforce conditions are central to the quality and safety of ECEC services. Pay, job security, workload, and professional recognition influence educator wellbeing and retention, and in turn shape the consistency, quality, and safety of the experiences provided to children.

Workforce sustainability pressures

Workforce instability is one of the most pressing risks to quality and safety in ECEC. High turnover, casualisation, and reliance on agency staff undermine continuity of relationships for children, increase pressure on permanent educators, and weaken regulatory compliance. According to the 2021 National Workforce Census, around 24 per cent of the ECEC workforce were employed on a casual basis (similar data from the 2024 census has not been made public nor is this data disaggregated publicly for states and territories)³⁶. Constantly changing staff makes it harder for children to build secure attachments and for colleagues to recognise patterns of behaviour or harm.

The Jobs and Skills Australia *Future of the ECE Profession*³⁷ report highlighted several additional concerning trends:

- High and increasing use of waivers for staffing requirements under the National Regulations, reflecting shortages of qualified educators.
- Evidence of overtime being worked to meet ratios and service needs.
- Insufficient time and resourcing for professional development.
- Increasing reliance on trainees, who must spend 20 per cent of paid time in off-the-job learning, creating pressure on services.
- Significant time spent by experienced staff in recruitment, onboarding, and supervising trainees.

Staffing Waivers

Waivers are intended as a temporary measure to allow services to operate when they cannot meet required staffing ratios or qualification requirements. Their use in Victoria however is quite

³⁶ Department of Education. (2021). *2021 National Early Childhood Education and Care Workforce Census*

<https://www.education.gov.au/early-childhood/about/data-and-reports/national-workforce-census/2021>

³⁷ Jobs and Skills Australia. 2024. *The Future of the Early Childhood Profession*

<https://www.jobsandskills.gov.au/publications/future-early-childhood-education-profession>.

limited. Victoria has the lowest proportion of services with a staffing waiver: 1.2 per cent at 1 April 2025, compared to a national average of 7.9 per cent of services.³⁸

Pay and quality

The Commonwealth’s analysis of the latest ECEC Workforce Census data for the Victorian Rapid Review³⁹ found a direct link between wages and service quality, concluding that “services with higher quality ratings paid educators and teachers higher wages.” Large not-for-profit providers, which are more likely to pay above award rates, also had lower vacancies, lower turnover, and higher proportions of full-time staff.⁴⁰ It found that long day care services where more than half of paid contact workers were paid above the award were more likely to be rated Exceeding the National Quality Standard and less likely to be rated Working Towards than services where fewer than half of staff received above-award pay.⁴¹

The Review recommended that fair pay and conditions be treated as essential to safeguarding children, including through funded child safety training delivered within paid hours.⁴² This reinforces the conclusion that pay and quality are inseparable: services that invest in educators through higher wages achieve stronger outcomes for children and are better placed to provide safe, stable learning environments. It is no coincidence that where pay and conditions are prioritised and funded (like in Victorian kindergartens), the outcome is safer, higher-quality ECEC.

Industrial agreements and quality outcomes

The Front Project’s *Hidden Lever: how pay and conditions support child outcomes in low SES early childhood and education services*⁴³ report provides further evidence of this link with two-thirds of Exceeding or Excellent services in disadvantaged (SEIFA 1) communities found to be covered by an enterprise bargaining agreement, compared with just 29.7 per cent across the sector. EBAs, particularly multi-employer agreements, deliver more generous staffing conditions than award-reliant services, strengthening workforce stability and service quality.

³⁸ P. White PSM and J. Weatherill AO. (2025). *Rapid Child Safety Review*
<https://www.vic.gov.au/sites/default/files/2025-09/Rapid-Child-Safety-Review-2025.pdf>

³⁹ Ibid

⁴⁰ Ibid

⁴¹ Ibid

⁴² Ibid, 18.

⁴³ The Front Project. 2025. *The Hidden Lever*.
<https://www.thefrontproject.org.au/images/2025/The Hidden Lever TFP - Quality ECEC and Workforce - April 2025.pdf>

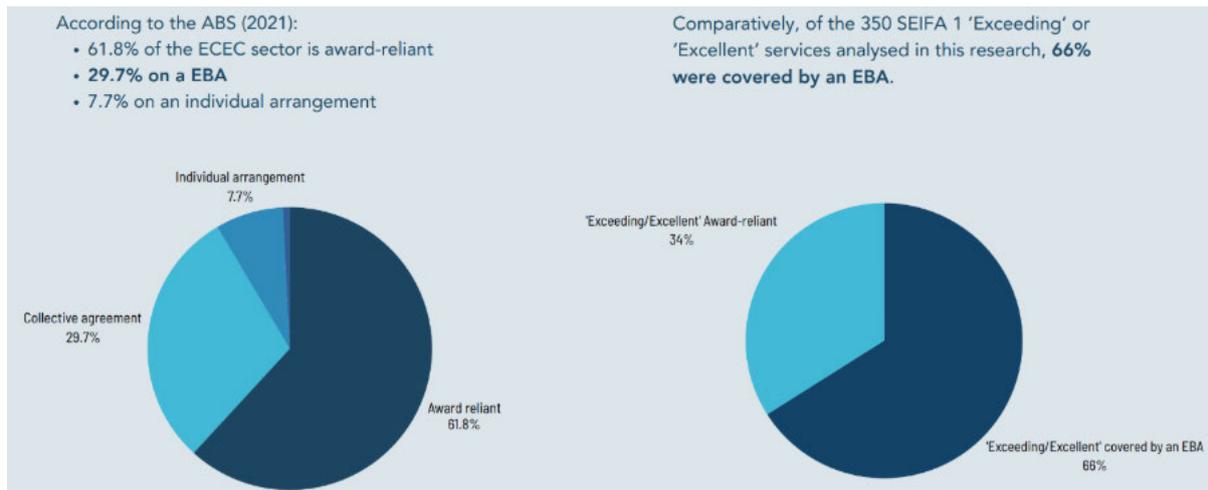


Figure 8. Types of industrial arrangements across the ECEC sector compared to high-performing centres in disadvantaged areas.⁴⁴

Pay disparities across provider types

The Australian Competition and Consumer Commission has also highlighted clear differences between for-profit and not-for-profit providers. For-profit services spend a smaller share of their costs on labour (63 per cent compared with 77 per cent for not-for-profits),⁴⁵ employ fewer full-time staff (25 per cent compared with 47 per cent),⁴⁶ and pay fewer staff above the award (64.3 per cent compared with 94.5 per cent).⁴⁷ These differences translate into higher turnover (41 per cent compared with 27 per cent) and more vacancies (22 per cent compared with 9.7 per cent) in for-profit services.⁴⁸ High turnover undermines the stability of relationships between educators and children, making it harder for staff to detect patterns of behaviour or distress and to provide consistent supervision.

Award reliance and undervaluation

Jobs and Skills Australia's *Future of the Early Childhood Education Profession*⁴⁹ study confirmed that ECEC workers are overwhelmingly reliant on award pay. More than half of the workforce are paid at award rates, with 70.1 per cent of child carers reliant on the award compared with 23.3 per cent of workers across all occupations.⁵⁰ Remuneration in ECEC is relatively low even when compared with sectors that require no formal qualifications, despite the significant training and responsibility expected of early educators. This undervaluation sends the wrong signal about the importance of educators' work and contributes to attrition and shortages.

⁴⁴ Ibid

⁴⁵ Australian Competition and Consumer Commission. (2023). *Australian Competition and Consumer Commission (September 2023) Childcare Inquiry, Interim Report* <https://www.accc.gov.au/inquiries-and-consultations/finalised-inquiries/childcare-inquiry-2023/september-2023-interim-report>.

⁴⁶ Ibid

⁴⁷ Ibid

⁴⁸ Ibid

⁴⁹ Jobs and Skills Australia. (2024). *The Future of the Early Childhood Profession*, <https://www.jobsandskills.gov.au/download/19636/future-early-childhood-education-profession/2658/future-early-childhood-education-profession-extended-report/pdf>

⁵⁰ Ibid

There are, however, signs of progress. The Worker Retention Payment, which delivered a 15 per cent wage increase for many educators, has seen strong uptake across the sector, signalling both the urgency of the issue and the willingness of providers to engage with wage-support measures. As of May 2025, around 85% of eligible workers and 60% of eligible services had applied for the Worker Retention Payment⁵¹. In addition, more providers have signed up to the Multi-Employer Agreement, extending the benefits of collective bargaining to services that would not otherwise have the leverage to negotiate above-award conditions. As of September 2025, there are 494 employers covered by the Multi-Employer Agreement⁵². These developments are welcome, but they must be built upon with longer-term, structural reform to ensure educators' pay reflects their skills and responsibilities and that safe, high-quality services are sustained across the sector.

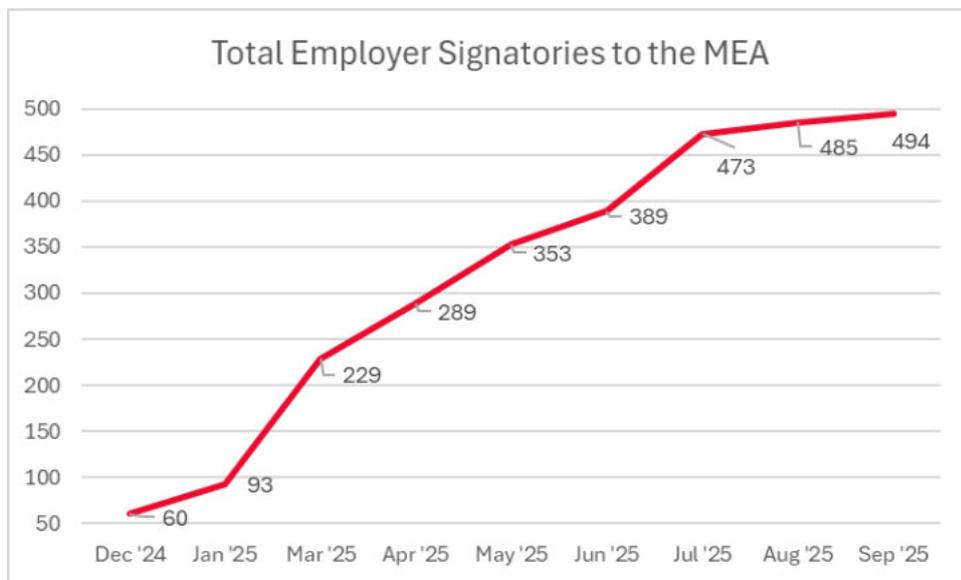


Figure 9. Rate of employer sign-up to the Early Childhood Education and Care Multi-Employer Agreement 2024-26.⁵³

Health, safety, and wellbeing impacts on staff

Workforce strain is also reflected in injury and workers' compensation data. According to Safe Work Australia⁵⁴, childcare service workers have a claim rate of 15.7 per 1,000,000 hours worked, almost double the average across all industries (8.3), and significantly higher than construction (11.0) or machinery and equipment manufacturing (11.3). By comparison, preschool teachers (3.4) and centre managers (3.3) recorded much lower claim rates, underscoring the risks connected to differing industrial conditions between

⁵¹ Community Early Learning Australia. 2025. *Navigating Workplace Instruments: A clear path for early childhood services*.

<https://www.cela.org.au/publications/amplify%21-blog/jun-2025/navigating-workplace-instruments>

⁵² Fair Work Commission. 2025. *Early Childhood Education and Care Multi-Employer Agreement 2024-2026*

<https://www.fwc.gov.au/documents/agreements/resources/b20241697-unofficial-consolidated-version-ecec-enterprise-agreement.pdf>

⁵³ Ibid

⁵⁴ Safe Work Australia. (2024). *Workers Compensation Data*.

<https://data.safeworkaustralia.gov.au/about-our-datasets/workers-compensation-data>

preschools/kindergartens and long day care.⁵⁵ These figures highlight that early childhood educators face some of the most hazardous working conditions of any comparable profession. Elevated rates of physical injury, stress, and burnout not only harm the workforce, but also compromise service quality and place children at greater risk, demonstrating that improving employment practices is a direct child safety measure.

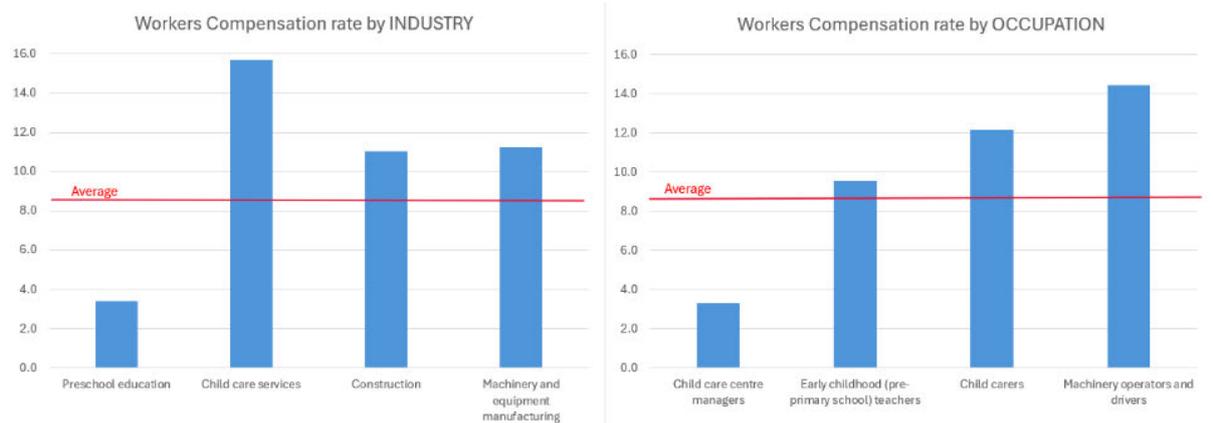


Figure 7. Safe Work Australia workers' compensation data⁵⁶

⁵⁵ Ibid

⁵⁶ Ibid

(d) The adequacy of staff-to-child ratio regulations, including ratios being averaged across entire services rather than applied per room.

“Under the roofline” can leave staff and children vulnerable

An issue arises from the way regulatory compliance can be assessed “across the service” or “under the roofline.” This approach allows services to meet ratio, qualification, and early childhood teacher requirements at the service level rather than within each room. While this flexibility is intended to support operational practicality, it carries risks if used to manage workforce shortages or as a rostering efficiency measure rather than to enhance educational continuity.

“Under the roofline” rostering can result in educators being moved between rooms to maintain overall compliance, leaving some rooms stretched or under-supported, particularly at peak transition times. This can compromise supervision, increase the likelihood of safety incidents, and disrupt the continuity of relationships that underpin high-quality early learning. For children, these disruptions affect the sense of stability and trust essential to learning and development, especially in settings already affected by high turnover or reliance on agency staff.

In a United Workers Union survey⁵⁷ of 3,000 educators released in July 2025, 77 per cent of educators said they were operating below minimum staffing levels in their rooms at least weekly, and 42 per cent said it was occurring daily, indicating widespread misuse of the across the service ratios. In the same survey, 83% of educators strongly agreed this compromises the safety and wellbeing of children.⁵⁸

The Victorian Rapid Child Safety Review heard similar evidence and highlighted that the way staffing arrangements, including “under the roofline”, are currently applied can leave both staff and children vulnerable. It noted that *“having enough staff, with enough training, experience, and confidence is the number one factor that supports safety within a centre”*.⁵⁹

Ultimately, the “across the service” principle should enable flexibility to meet children’s needs, particularly in remote and rural communities, not serve as a structural workaround for chronic staffing shortages. Approved Providers remain legally responsible for the safety and wellbeing of every child in every room, regardless of overall service compliance. Services that rely heavily on “under the roofline” staffing to cover shortages risk eroding both quality and safety, undermining trust in the regulatory system and leaving children more vulnerable.

We look forward to the forthcoming report from Education Ministers, expected in December, which will draw on ACECQA’s review of this issue and provide the evidence needed to close this gap in regulation and practice.

⁵⁷ United Workers Union. (2025). *Safer staffing action plan for a stronger early childhood education sector*.

<https://unitedworkers.org.au/wp-content/uploads/2025/08/ECEC-Staffing-Action-Plan-Policy-Priorities-2025.pdf>

⁵⁸ Ibid

⁵⁹ P. White PSM and J. Weatherill AO. (2025). *Rapid Child Safety Review*

<https://www.vic.gov.au/sites/default/files/2025-09/Rapid-Child-Safety-Review-2025.pdf>

Link to workforce pressures

These regulatory tensions reflect broader workforce constraints across the ECEC sector. Services that rely heavily on “under the roofline” staffing models often do so because they face persistent difficulties in attracting and retaining qualified educators⁶⁰. The Front Project recommends that workforce policy and regulatory design must be addressed together: ratio flexibility should not compensate for inadequate supply, support, or professional recognition of educators. Strengthening educator attraction and retention, alongside clearer, room-based ratio requirements, would ensure that compliance mechanisms genuinely support safe, high-quality experiences for every child.

⁶⁰ P. White PSM and J. Weatherill AO. (2025). *Rapid Child Safety Review*
<https://www.vic.gov.au/sites/default/files/2025-09/Rapid-Child-Safety-Review-2025.pdf>

(e) Whether there is sufficient oversight of the Department of Education and the role it plays in monitoring and maintaining child safety.

Oversight of the Department of Education

The Department is accountable to the Minister for Children and, through the Minister, to Parliament. Public accountability is exercised through established mechanisms, including annual reporting, appearances before the Public Accounts and Estimates Committee, and audits conducted by the Victorian Auditor-General's Office. These processes provide an appropriate framework for oversight and accountability in relation to the Department's performance, particularly when supported by active parliamentary scrutiny and transparent departmental reporting. Effective oversight is essential not only for probity and governance, but also for ensuring that public investment delivers improved outcomes for children and families.

The Department's role

Under the *Education and Care Services National Law (Victoria)*, the Quality Assessment and Regulation Division (QARD) of the Department of Education acts as the regulatory authority for ECEC⁶¹. QARD is responsible for monitoring compliance with the National Quality Standard, conducting assessment and rating visits, investigating serious incidents, undertaking spot checks, and enforcing sanctions where required.

In relation specifically to transparency on child safety and service quality, QARD maintains a public register⁶² that records enforcement actions taken by the regulator, including the reasons for each action, such as compliance notices, prohibition notices, service suspensions, and any conditions placed on providers.

While QARD operates under internal protocols intended to preserve its independence, it remains structurally located within the Department of Education, which also funds, stewards, and directly operates early learning services. This arrangement creates an inherent conflict of interest, now amplified by the Department's growing role as an ECEC service provider. The *Victorian Rapid Child Safety Review* highlighted these concerns and recommended the establishment of an independent, stand-alone Early Childhood Education and Care Regulator to ensure impartial oversight, transparency, and strengthened system integrity.⁶³ Independent regulation also plays a critical role in maintaining public confidence and supporting a safe, high-quality environment for children.

Strengthening Oversight and Accountability

The Victorian government has committed to establishing a new independent Early Childhood Education and Care Regulator, including commissioning a Capability Review to modernise regulatory frameworks, tools, and officer training.⁶⁴ This improved capacity will more than double the frequency of compliance checks, ensuring that services are visited at least once every 12 months.

⁶¹ [Role of the Regulatory Authority.](#)

⁶² [Enforcement action taken by the regulatory authority.](#)

⁶³ P. White PSM and J. Weatherill AO. (2025). *Rapid Child Safety Review*
<https://www.vic.gov.au/sites/default/files/2025-09/Rapid-Child-Safety-Review-2025.pdf>

⁶⁴ [Reforms led by the Victorian Government, 2025.](#)

However, even with these reforms, accountability remains blurred between Commonwealth and state responsibilities. The Productivity Commission described an accountability vacuum, “*in the current policy landscape there is no entity that holds the responsibility for quality, access, inclusion, transparency and accountability across the entire ECEC system.*”⁶⁵ This fragmentation limits system-wide visibility of risks and reduces the effectiveness of both state and national oversight mechanisms. The Front Project supports the establishment of the independent Victorian regulator as a critical first step in strengthening accountability at the state level. However, to deliver sustained improvement in child safety and quality, this reform must be accompanied by a coordinated national approach that restores shared funding for regulation, clarifies intergovernmental accountabilities, and creates a unified view of safety, quality, and workforce capability across the ECEC system.

Strengthened regulatory oversight is most effective when coupled with active system stewardship - the deliberate use of funding, policy, and data to improve quality and workforce capability. Establishing an independent regulator provides the foundation for that stewardship, but the responsibility for ensuring safe, high-quality early learning remains shared across all levels of government and the sector. Sustained collaboration, transparency, and resourcing are essential to realise the system-wide improvements that children and families expect and deserve.

⁶⁵ Productivity Commission. (2024). *A path to universal early childhood education and care*. <https://assets.pc.gov.au/inquiries/completed/childhood/report/childhood-volume1-report.pdf>

2. Recommendations

a) Establish strong, independent regulation and clear public accountability

- As agreed, stand up the independent ECEC Regulator and complete a Capability Review. Publicly table the action plan for improved regulatory function and oversight.
- As agreed, conduct annual unannounced compliance visits: at least one visit per service per year, plus targeted follow-ups for services with repeat non-compliance.
- Reduce Assessment & Rating intervals prioritising services with repeat Working Towards ratings.

b) Tighten staffing safeguards where risk is highest

- Embed the “four-eyes” principle (two staff supervising at all times) as ideal practice through policy guidance, training, compliance visits, and require explicit risk plans for settings where continuous four-eyes is impractical.
- Ongoing monitoring and careful approval of staffing waivers to ensure usage remains low, with investigation and targeted support where services rely on waivers for extended periods or show limited progress in addressing workforce shortages.
- Actively monitor services demonstrating high levels of staff turnover or agency dependence/casualisation, and require improvement plans to address workforce stability and continuity of care.

c) Workforce quality, retention and safety

- Continue to strengthen workforce pathways and supports including scholarships and traineeships targeted to areas of need (thin markets and areas that need quality uplift); paid induction and mentoring for graduates and new entrants and their mentors / service leaders; investigation and investment in retention initiatives.
- Continue using kindergarten funding agreements and benchmark EBAs to support above-award pay and conditions including planning time, professional development, and leadership support.

d) Market entry and ongoing suitability

- Apply a robust “fit and proper” test that checks who really owns and controls the service, their financial history, links to other companies, any past compliance issues in other states or territories, and whether they’ve repeatedly failed to meet quality standards.
- Issue conditional approvals on services where governance or workforce risk is identified; link conditions to concrete milestones (leadership capability, staffing stability, safety training completion).

Recommendations for Victoria to pursue nationally

e) Settle roles and mutual accountability

Governments should commit to stronger national stewardship, with clearer Commonwealth accountability not only for co-funding but also for ensuring a consistent baseline of safety and quality across all jurisdictions. This must include:

- A national settlement of roles and responsibilities between the Commonwealth, states, and territories to provide clarity, to support and shepherd reform implementation, and ensure shared accountability for outcomes,
- The design of a transparent, needs-based funding model for ECEC, informed by Service Delivery Price work, to ensure resources are distributed fairly across diverse communities and service types, and contribute to quality and safety uplift,
- Joint compliance monitoring and shared regulatory data,
- Mechanisms for consistent, cross-jurisdictional information sharing so poor performers cannot avoid scrutiny by moving between states or territories, and
- A national data linkage project connecting quality ratings, regulator enforcement records, Child Care Subsidy data, workforce census information, and child outcome measures.

f) National child-safety and workforce architecture

- As agreed, a National Educator Register (live status/conditions) integrated with state WWCC and reportable conduct systems; real-time cross-border alerts.
- As agreed, nationally consistent WWCC with improved data-sharing and automatic escalation to regulators when risks emerge.

g) Quality improvement at scale

- Establish a Commonwealth-funded national Quality Uplift Program, co-delivered with states and territories, targeting services rated Working Towards or repeatedly Working Towards, and those serving high-need communities. The program should include funded release time for educators, embedded coaching and mentoring, and systematic tracking of improvement over time.