

TRANSCRIPT

SELECT COMMITTEE ON THE EARLY CHILDHOOD EDUCATION AND CARE SECTOR IN VICTORIA

Inquiry into the Early Childhood Education and Care Sector in Victoria

Melbourne – Wednesday 11 March 2026

MEMBERS

Anasina Gray-Barberio – Chair

Michael Galea – Deputy Chair

Melina Bath

Georgie Crozier

Jacinta Ermacora

Sarah Mansfield

WITNESS (*via videoconference*)

Warren Bright, Chief Executive Officer, Guardian Childcare & Education.

The CHAIR: Good afternoon and welcome back. We will now resume the committee's public hearings for the Inquiry into the Early Childhood Education and Care Sector in Victoria.

All evidence taken is protected by parliamentary privilege as provided by the *Constitution Act 1975* and provisions of the Legislative Council standing orders. Therefore the information you provide during the hearing is protected by law. You are protected against any action for what you say during this hearing, but if you go elsewhere and repeat the same things, those comments may not be protected by this privilege. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded, and you will be provided with a proof version of the transcript following the hearing. Transcripts will ultimately be made public and posted on the committee's website.

For the Hansard record, can you please state your name and any organisation you are appearing on behalf of.

Warren BRIGHT: My name is Warren Bright, and I am appearing on behalf of Guardian Childcare & Education.

The CHAIR: Thank you, Mr Bright. We are now going to introduce ourselves. I am Anasina Gray-Barberio, MP for Northern Metro and Chair.

Michael GALEA: G'day. Michael Galea, Member for South-Eastern Metropolitan and Deputy Chair.

Sarah MANSFIELD: Sarah Mansfield, Member for Western Victoria Region.

Melina BATH: Melina Bath, Eastern Victoria Region. Good afternoon.

Georgie CROZIER: Good afternoon. Georgie Crozier, Member for Southern Metropolitan Region.

Jacinta ERMACORA: Good afternoon. Jacinta Ermacora here, Member for Western Victoria Region. I am in Warrnambool.

The CHAIR: Thank you. I would now like to invite you, Mr Bright, to make an opening statement if you wish, and if I could request that you keep it to a maximum of 10 minutes, we will have plenty of time for discussion. Thank you.

Warren BRIGHT: Thank you, Madam Chair. Thank you, Chair and members of the committee, for the opportunity to appear today and for allowing me to appear remotely. Firstly, I would like to acknowledge the traditional owners of the land which I am joining from today, the Gadigal people of the Eora nation, and pay my respects to elders past, present and emerging. As someone who works in early learning, I also acknowledge that these lands have long been places where Aboriginal children have learned, played and grown under the care of their families and communities.

I appreciate the opportunity to once again contribute to discussions about improving child safety and the operation of the early childhood education and care sector in Victoria. Every day more than 4500 families leave their children in our care in Victoria so they can go to work, study or manage their lives. When they do that, they place an enormous amount of trust in the 2200 people working in our centres and those of us supporting them. My responsibility as CEO is to make sure that that trust is justified.

During my 13 years in the sector I have been responsible for large centre networks in both not-for-profit and private providers, including close to six years as the chief operating officer at Goodstart, responsible for their centre network, and now almost seven years at Guardian. My experience in both organisations has reinforced that our core responsibility is the same regardless of our ownership structures, and that is to ensure children are safe and well cared for.

Today I lead an organisation that operates 73 early childhood education and care services in Victoria – these are all long day care services – and last year Victorian families entrusted my teams with their children almost

1.4 million times, representing nearly 14 million hours of care and education. All of my services in Victoria are currently rated as 'meeting' or 'exceeding' the national quality standard overall and across all seven quality areas. The proportion of my network in Victoria rated 'exceeding' is in line with private not-for-profit providers.

Providing high-quality and safe care requires continued investment in teams and our spaces and requires clear accountability, strong systems and strong governance. All of my team members are paid above the award. The average in Victoria is close to 6 per cent. Our university-qualified teachers are paid 9 per cent above the award, and my centre leaders average about 24 per cent above the award. The lead educators all receive above-award programming time, and our centre managers are not required to be rostered in ratio, meaning they can be available to support, coach and mentor our teams. All educators receive annual training, along with a range of ongoing professional development opportunities, and around 10 per cent of our team each year have been supported to obtain higher qualifications while working with us.

Child safety is a non-negotiable responsibility in our organisation. We operate a zero-tolerance approach to child harm, and that expectation is made clear to our teams from the outset. It is in our job advertisements, it is in our position descriptions, and it is in our induction processes through to the consistent messaging they hear from me and our leaders and down to the standards that we hold people accountable to each and every day. We work very hard to build strong safeguards, clear and well-understood expectations and a culture where concerns are reported immediately. When concerns arise, our expectation is that decisions prioritise the safety and wellbeing of children above other considerations.

Like any human-care environment, no system is perfect, however, which is why we constantly review our approach and we learn when things do not go as expected so we can continue to improve. We also invest in and maintain central teams focused on compliance, curriculum and quality assurance to support our centres and to ensure standards are met. This is our largest support office team. We review all of our policies and procedures and operating systems regularly to ensure we can continue to improve. Our recruitment processes are centrally managed so that I have the benefit of experts. They are multilayered and they are regularly reviewed to ensure appropriate screening and safeguards are used before educators are allowed to enter our centres.

Governance oversight is also important. Our board includes members with significant experience as well as expertise in early childhood education and care, and I report to the board monthly on safety, compliance and quality matters. My board also oversees our whistleblower program. My role is to ensure that children placed in our care are safe, that our educators are supported and that our centres operate to the standards both families and regulators expect. Ultimately, if families cannot trust us to care for their children, they simply will not choose our centres, and without their trust there is no sustainable organisation. I welcome the opportunity to assist the committee and answer your questions.

The CHAIR: Thank you, Mr Bright. I will start with the questions. Mr Bright, you mentioned in your opening statement that safety is important. Why didn't your organisation make a submission to this inquiry?

Warren BRIGHT: I think there might have been some administration errors there. I did provide a written statement following a meeting I had with the child safety review committee. It was quite a long statement. I was surprised when it did not appear in the submissions list. I do not know whether because we went through that route rather than –

The CHAIR: The rapid review was a different process in relation to this parliamentary inquiry, so I guess that is why I am asking why if safety is really important to your organisation, a submission was not made. I do not have anything to go by except the submission that you made to the Senate education and employment committee at the federal level, but obviously we are at the state level. Taking into account the Victorian context, for us to understand where you are coming from, you operate 73 long day care centres in Victoria, correct? Sorry. Can you hear me, Mr Bright? Sorry, we are just having trouble hearing you.

Warren BRIGHT: Yes, I can. Can you hear me?

The CHAIR: Yes. Sorry. If you could just repeat your answer just then.

Warren BRIGHT: Yes, we do.

The CHAIR: How many educators do you employ?

Warren BRIGHT: In Victoria it is approximately 2200.

The CHAIR: Of that percentage, how many are full-time and how many are casual or agency workforce?

Warren BRIGHT: The vast majority are permanent part-time and permanent full-time.

The CHAIR: Do you have a percentage for that, by any chance?

Warren BRIGHT: Yes, I do have the numbers here on me. I do not have them off the top of my head. I do have them here.

The CHAIR: I am happy for you to take that on notice if you can, Mr Bright.

Warren BRIGHT: Of that 2200, we have about 383 that are casual. The rest are either permanent full-time or permanent part-time.

The CHAIR: Great.

Warren BRIGHT: That would mean we have somewhere around 80-plus per cent that are permanent team members.

The CHAIR: Thank you. You have a national support office of around 160 people. What is their role?

Warren BRIGHT: That is correct. They provide a range of services to our centres. We obviously have those normal corporate functions you would expect – finance teams, we have accounts payable, accounts receivable, we have a legal team et cetera. The majority of people in that support office sit in functions that directly support our centre networks.

The CHAIR: How many of this support team actually are tasked with child safety responsibilities?

Warren BRIGHT: I have five people in a compliance and safety team. I then have 12 people who are in a practice support team who are also in centres. I have another 14 to 16 people who are working in centres all of the time. Now, all of us are responsible for child safety. If I looked at the number of people in the network who are actively in the network regularly and dealing with this topic, there are probably 30 to 35.

The CHAIR: But you have a national support office that I am guessing – and please correct me if I am wrong – your educators and your centre directors and team leaders would be contacting if they had questions around compliance and governance in the centres. Is that right?

Warren BRIGHT: Yes, that is right.

The CHAIR: So the amount of people to answer and field those queries is only five?

Warren BRIGHT: No, no. no. There are –

The CHAIR: Sitting in the national support office, Mr Bright.

Warren BRIGHT: Yes, the national support office – so if a centre manager has a question, their primary point of call will be their portfolio manager. A portfolio manager is typically responsible for between eight and 10 centres. They can then go to their curriculum mentors. Curriculum mentors are our practice experts; they operate to a ratio of around one to 17 to one to 18 centres. And then I have a specialist team. So we operate in layers. There is one level that they can go to with their questions, and then there is a series of escalations.

The CHAIR: Great.

Warren BRIGHT: And I have five people sitting in a purely compliance-based function.

The CHAIR: Are they the people that report to you operational data around safety, risk, governance?

Warren BRIGHT: Yes, that is right.

The CHAIR: How often do you actually come across this sort of reporting to ensure that the whole organisation is being child safe?

Warren BRIGHT: I get detailed reports every month, and then I am on the escalation path for all incidents above a certain level in the organisation. We have a digital platform that records any child safety concerns, and we have dedicated escalation paths, and I am on that escalation path.

The CHAIR: That is good to hear.

Warren BRIGHT: I get the summary reports, but then I am also involved in the detailed updates on particular issues, typically within 24 hours of them happening.

The CHAIR: That is good.

Warren BRIGHT: We require our teams to report on that platform within 4 hours of an event occurring, and then I will typically hear it that day or the next day.

The CHAIR: Thank you, Mr Bright. I want to talk about this submission that you made to the Senate estimates. You said:

Governments need to avoid being caught up in a concerted, invalid and counter-productive campaign against for-profit centres. Is that still your position?

Warren BRIGHT: Yes, that is my position.

The CHAIR: I am sure you can appreciate, Mr Bright, especially from a Victorian context, we have had the situation that we have had of this perpetrator and children being on the receiving end. It has been one of the worst cases that Victoria has seen, and he predominately worked at for-profit centres. We have had overwhelming evidence indicating that for-profit centres are mixing profit and child care too much, that it is compromising the safety of children. Do you still stand by what you said?

Warren BRIGHT: Yes, I do. I think one of the challenges that we have seen in this sector is I am not sure absolute statements branding an entire provider type are necessarily helpful. As I mentioned before, you know, I run an organisation whose quality ratings are up there in line with, if not better than, some of the private, not-for-profit sectors. I think –

The CHAIR: I have just run out of time, Mr Bright, and I do apologise. But just on the ratings, can you please provide to the committee – and maybe you can take this on notice, because I have run out of time – your centres and how many are at ‘meeting’, how many are ‘exceeding’ and how many are ‘working towards’?

Warren BRIGHT: We have no ‘working towards’, but I am happy to take that on notice. It is all available from the ACECQA database.

The CHAIR: And just for the Victorian centres. Thank you very much, Mr Bright. I will hand over to our Deputy Chair.

Warren BRIGHT: Thank you.

Michael GALEA: Thank you, Chair. Thanks for joining us, Mr Bright. That was in fact going to be one of my first questions, so thank you very much for agreeing to take that on notice. On that, Mr Bright, do you consider that the national quality standards are an appropriate measure of effectiveness?

Warren BRIGHT: That is a really interesting question, Mr Galea. What we know about the national quality standards is that they are a measure of inputs and based on the experts who put those standards together, they clearly believe that those inputs are the appropriate inputs to determine whether an environment is high quality or not for children. I think in the absence of a conclusive outcomes measure, there will always be debate about whether the national quality standards are the best measure. But at the moment they are the measure that we have.

Michael GALEA: Do you think that they provide a useful tool for parents and prospective parents?

Warren BRIGHT: I think they do provide a useful tool in understanding the level of practice across the seven quality areas that occur in a centre. They are a very tough measure. I do not know of anything else that happens in our centres that causes more nervousness, more angst and more concern than an upcoming assessment and rating visit. If you think that a centre has someone in their service between one and three days assessing them on 40 elements, and if any one of those elements is marked 'not met', they end up in a 'working towards' situation – it is pretty thorough in our experience in terms of the things that it is measuring in those particular quality areas and the elements that make up those quality areas.

Michael GALEA: Thank you. You said that all of your centres in Victoria are either meeting or exceeding the standard. Can I draw your attention to your centre in Croydon?

Warren BRIGHT: Yes.

Michael GALEA: Do you have any information on that?

Warren BRIGHT: I do have information on Croydon, yes.

Michael GALEA: The ACECQA website is, as of today, showing that it is working towards NQS.

Warren BRIGHT: My understanding is that that was overturned recently. Again I am happy to take that on notice and clarify exactly what has happened in that situation. But as of conversations with my team yesterday, all of our centres are rated 'exceeding' and 'meeting', and that centre is marked as being overturned – the 'working towards' was overturned. So whether or not that is an administrative issue, I am happy to confirm.

Michael GALEA: If you could provide that, that would be terrific. Thank you. In terms of why it is a useful tool for parents, I noticed that on your website for some of your centres – including one, for example, Mulgrave, which is exceeding expectations – the logo saying 'exceeding' features prominently on that webpage. But I cannot find equivalent logos on your pages for your centres which are 'meeting' or 'working towards'. Why is that? Why do you only show the ratings on the centres that are exceeding?

Warren BRIGHT: That is probably a decision taken by my marketing team, to be perfectly honest. I am not across that level of detail on those webpages. All of our services obviously display what their ratings are for parents prominently in the services.

Michael GALEA: Indeed. Do you think it would be beneficial for transparency if all your centres were to display that on the website and not just the ones that are already achieving good results?

Warren BRIGHT: Might be. It is obviously available on the federal government website. All the ratings for centres for families end up there first.

Michael GALEA: Indeed. I am very much looking forward to seeing the statistics that you can provide. But I would be curious as to your thoughts on why there is such a disparity – and I take your point 100 per cent, there are some terrific for-profit centres and there are some bad not-for-profit centres. But why do we see such a disparity, for example, with just about 9.7 per cent of the for-profit sector 'exceeding' compared to 42 per cent for the not-for-profit sector?

Warren BRIGHT: It is interesting, the definition of quality. If you look at 'meeting' and 'exceeding', there is actually very little difference between the for-profit and not-for-profit sectors. So private for-profit has 95.5 per cent of centres in Victoria rated 'meeting' or 'exceeding', compared to 98 per cent for private not-for-profit and only 94.7 per cent for private, not-for-profit community-managed. I do acknowledge that if you are looking solely at 'exceeding' ratings, there is a significant difference. And there is also a significant difference between not-for-profit community-managed and not-for-profit private – not-for-profit community-managed is significantly higher at about 35 per cent rated 'exceeding'. There are other factors in that.

We know that centres that are older and have been established for longer have a significantly higher chance of being rated 'exceeding'. Sometimes that can be up to 15 times the probability of being rated 'exceeding' compared to centres that have only been open for a couple of years. The vast majority of centres that have entered the sector in recent years have been for-profit centres. So is this result a function of limited not-for-profits being launched in recent years, or is it a function of for-profits being lower quality? I am not really sure. The statistics are not clear one way or the other.

Michael GALEA: Thank you. I do just want to turn to what you said about staffing just very quickly, if I may. From what I can gather, would it be fair to say that you have better results in Victoria when it comes to meeting the NQS than you do in other states?

Warren BRIGHT: No, we are equivalent in Victoria with New South Wales. I only have five centres in the ACT, but in South Australia and Queensland I am slightly behind.

Michael GALEA: Sure. Thank you. In terms of staffing, you said that in your metrics you do not include your centre managers as part of ratios –

Warren BRIGHT: That is right.

Michael GALEA: which is certainly a good thing. Do you use the under-the-roof line metric or any similar term?

Warren BRIGHT: Across service? Yes, we do.

Michael GALEA: How common is that?

Warren BRIGHT: We use that across our entire network.

Michael GALEA: Is that something that you are looking at changing?

Warren BRIGHT: No.

Michael GALEA: Why do you think it is –

Warren BRIGHT: We are interested in understanding – it has been an ongoing debate my entire time in this sector about whether you move to room ratios or whether you operate under the roof line or across the service. I think there are challenges in both models. If I look at the argument to shift towards moving to room ratios, I am really hopeful that whatever decision regulators come up with has been properly considered. I was involved in the sector prior to ACECQA clarifying what across the service looked like. There are unintended consequences that come from running room-based ratios, one of which is you will see families turned away from care, and you will see that happen quite a lot. You will see children potentially be shuffled – that is the term we would use – between rooms. What we also know from the evidence is that a child is most at risk of injury or an incident when they are in unfamiliar surroundings and with educators who do not know them, so the last thing you want is children being moved between rooms so that rooms can meet ratios and then you create another set of risks. Now, I know that that has been recognised by the regulators on the recent calls that we have had. Hopefully wherever they land on the ratio decision and wherever they land on the definition of adequate supervision – because it is not just ratios, it is ratios and staffing that also ensures adequate supervision for which there is no definition at the moment, but we have been told there will be one available by July – I hope it is well considered.

Michael GALEA: Thank you, Mr Bright. Thank you, Chair.

The CHAIR: Thank you. Ms Crozier.

Georgie CROZIER: Thank you. Thank you very much, Mr Bright, for being before us this afternoon and providing your evidence. Could you just clarify this: how many centres do you have in Victoria?

Warren BRIGHT: Seventy-three.

Georgie CROZIER: Seventy-three, with 2200 staff you said, and you gave those permanent and part-time equivalents.

Warren BRIGHT: Yes.

Georgie CROZIER: You provided a very detailed submission to the Senate inquiry, which we have a copy of now. In it you make comments which I have been concerned with throughout this inquiry, with witnesses basically demonising the private sector. I think you talk about a philosophical divide. You speak about that very clearly in your Senate submission. I have been concerned around some of the commentary in this inquiry about

the private sector. If you were taken out of the sector, those 73-odd centres, how many children and how many families would the state have to pick up to cater for that?

Warren BRIGHT: We have, on average, about 5300 children a day attending one of our centres. We have about 8000 places that we make available. Obviously not all of those places are occupied. Over the course of last year, in calendar year 2025, we had 13,900 unique children attend one of our services, because you obviously have children coming in for the first couple of months, then they go to school and then there are enrolments during the year.

Georgie CROZIER: So you are talking of thousands of children and potentially thousands of families, should your centres not be operating, and you provide, as you say, a service to families and children in this very important education space.

Warren BRIGHT: That is right.

Georgie CROZIER: Have you got a view of why there is such a philosophical divide?

Warren BRIGHT: Starting in this sector 13 years ago I was able to work alongside people who were probably around in the early 1990s when the Hawke–Keating government first made government funding available to private providers. I think there has always been a belief that community-based provision is higher quality. I think that probably stems from the very early days of it being kindergarten only, and there is no doubt that sessional kindergarten providers in Victoria provide really high-quality care. They are fortunate that they have children of a limited age range, in a small number of rooms, with university-qualified teachers in each of those spaces, which certainly helps. Unfortunately, because for-profit providers or private providers represent over 70 per cent of all available places, we tend to also represent a similar percentage of the incidents and injuries, and so I think sometimes the media gets hold of that, advocates get hold of that. Statistics are an interesting thing; they can be presented in a number of ways. That would be my view. As Mr Galea said, there is no doubt that there are poor-quality private providers, just as there are not-for-profit providers in which standards probably have not been met.

Georgie CROZIER: That is right, and we have not heard a lot of evidence towards that very point, and there have been comments like ‘profit over safety’, yet I think, to the Chair’s questions, you explained the escalation paths that you take. Have you got a comparison around your management of any breach or any incident that needs that escalation path, compared to providers in the not-for-profit or public sector?

Warren BRIGHT: Yes, it is really hard to speak on behalf of other providers. I would say that my process here is representative of the process that I had when I was responsible for it inside a large not-for-profit. In our circumstance we are relentless on communicating to our teams the fact that we have zero tolerance for any situation that puts a child at risk of harm. Our digital system records any incident, whether it be reportable or not. We do not make our teams make that judgement; we want them to report absolutely everything. That will then go to our compliance team. Our compliance team will then report on those issues. If we receive a compliance action or a breach notice or a question from the regulator, that will go back down to our teams. We require our teams to go through a pretty extensive process to submit a response to that. We have developed a whole series of tools to support the organisation. We have a child incident harm management matrix that makes it perfectly clear to all of our educators exactly what our expectations are and exactly what they can expect to happen should those expectations not be met across a variety of child safety areas. So it is pretty extensive terms of being a large provider.

Georgie CROZIER: Thank you for that clarity around what you do. You also mentioned, I think in your opening statement or to an answer around whistleblowers – is that part of the escalation path? Is that part of the process? Can you explain to the committee what that looks like? How do you support whistleblowers?

Warren BRIGHT: Yes. We have multiple escalation paths. Obviously we want team members to raise issues with their centre manager. If they are uncomfortable doing that, we have a compliance hotline, we have a people and culture hotline, and they obviously have their portfolio managers, which we would call our network line management function. Every educator in the group has my email address and can reach out to me on an internal social media platform. And then the whistleblower – that sits outside of me, so I am not even involved in that process. That is overseen by a general counsel and company secretary and is under the auspice of our

risk committee at board level. So any educator at any time can contact that whistleblower. That is then managed by our chief general counsel and company secretary.

Georgie CROZIER: Thank you very much. I think I am about to be buzzed.

Warren BRIGHT: Thank you, Ms Crozier.

The CHAIR: Thank you. Dr Mansfield.

Sarah MANSFIELD: Thank you. Thank you for appearing today. Are you able to provide information on how many compliance breaches or compliance orders have been received by Guardian in Victoria?

Warren BRIGHT: In terms of compliance notifications, which are the notifications that sit on the ACECQA national register, we have had one in the last two years. In terms of breach notices, in 2025 we had 86 breach notices delivered across 40 of our centres. Nineteen of those were in relation to supervision issues, 19 were in relation to interactions and 16 of them were in relation to what we would call harm and hazard, so exposing children to risk.

Sarah MANSFIELD: And with those breach notices – thank you for providing that information – is that something you provide publicly in any other sort of forum at all?

Warren BRIGHT: No, we have not. The topic of breach notices is an interesting one at the moment across the sector, because quite often we have discovered recently, in the last probably six to nine months, as regulators have become increasingly focused in this area, not all breach notices are equal and not all breach notices are counted, so there is actually quite a lot of disparity we have seen in conversations with regulators. We are aware that the federal government is now making that compliance history available for every centre, but we do not publish those sorts of numbers for our centres.

Sarah MANSFIELD: Is that something that your board is aware of?

Warren BRIGHT: Yes.

Sarah MANSFIELD: And do you support the broader public – I mean, we have heard that there needs to be greater transparency around compliance breaches across the board, not just putting the onus on individual providers to put that out there. What are your views on that?

Warren BRIGHT: Again, I think it is one of those questions that does not have an incredibly simple answer. We can be breached because of some administrative situation – it could be documentation et cetera – or we could be breached because a child has been injured in one of our centres. What I am worried about is if all breaches are considered equal and we begin publishing all notices that are received for centres, I actually think you might as well forget the NQS ratings. Families will not be paying any attention to whether a centre is exceeding or whether a centre is meeting or working towards. Their attention will quite rightly go to those breach notices, and I think without the context behind those breach notices they are really open to being misinterpreted. For example, in my organisation, I have had 86 breaches. Out of those 86, I had one instance where an educator physically slapped a child, and that was the parent of the child, who happened to be one of our educators, who we ended up dismissing. So what I am worried about is the media grabbing hold of a breach and treating every breach like it is a case of someone significantly harming a child. I just hope that regulators come to a point where it is helpful for families on their decision-making. I do not think it is necessarily in anyone's interest to undermine the community's confidence in early learning as a result of –

Sarah MANSFIELD: Sorry to interrupt. I appreciate where you are coming from, but the case was made earlier that the current system, where that sort of information is not made public, means that a whole lot of incidents have potentially gone unrecognised, and it has taken a couple of really high profile, awful cases to expose systemic issues when it comes to child safety. Their suggestion was that maybe we do need to just try something else. I mean, there has already been I think an undermining of the confidence in the system as a result of some of those incidents.

Warren BRIGHT: Yes. And I think at a federal level that decision has already been taken.

Sarah MANSFIELD: Okay.

Warren BRIGHT: Like my centres' listings on the federal government's website – disclose any of those compliance actions or breaches.

Sarah MANSFIELD: Thank you. Do you provide any financial incentives for your centre directors for meeting certain KPIs?

Warren BRIGHT: Yes, we do. We have an incentive scheme. That incentive scheme does have a gate, and that gate is a compliance and safety gate. So if a centre incurs any significant compliance or safety issue, they are not eligible to participate in the incentive scheme. The incentive scheme is based on a balanced scorecard. We look at their occupancy, we look at their family feedback, we look at their team performance, and we look at their starts and exits. Obviously safety and compliance and their quality results act as a gate, so you need to be at our standard on those before you get access to incentives.

Sarah MANSFIELD: How long has safety been a gate for that incentive scheme? How long has that been the case?

Warren BRIGHT: It has always been a gate. Formally, as in written into the document – we operate it as a discretionary scheme, so any bonuses that are paid or incentives that are paid are completely discretionary on the manager's network, so obviously we consider those things. In terms of that gate, it has been in place since sometime last year. I could not tell you the exact date.

Sarah MANSFIELD: So prior to that it was part of the mix, but it was not necessarily a gate.

Warren BRIGHT: It was not written into the document, but it would have been incredibly unusual for a centre manager who had operated a centre that had significant safety or compliance issues to receive any sort of bonus or incentive.

Sarah MANSFIELD: Is there a risk that by including safety and compliance in that metric you may create a perverse incentive to underreport or not disclose incidents in order to achieve personal financial gain?

Warren BRIGHT: Yes, that has been a topic my entire time in the sector. We do not set targets for safety, because of that exact issue. In terms of making it a gate, I think with the safeguards we have got in place and with the consequences that would occur for a centre manager and that have occurred for centre managers who have not complied with our reporting and internal reporting expectations, it is a risk, but it is probably a low risk.

Sarah MANSFIELD: Like what? What sorts of consequences?

Warren BRIGHT: We have dismissed centre managers who failed to report.

Sarah MANSFIELD: Thank you. That is my time.

The CHAIR: Thank you. Ms Bath.

Melina BATH: Thanks, Chair. Thank you very much, Mr Bright, for your presence here today. Just in terms of the Victorian Ombudsman's 2022 report into systemic flaws in the working with children check and the inability to act on police or child protection intelligence, were you aware of that prior to the rapid review?

Warren BRIGHT: I would describe them as failings of the working with children check system. They have been something that we have been actively campaigning on for a long period of time. I think –

Melina BATH: Right. What did that campaign look like?

Warren BRIGHT: Regularly, through advocacy, through our membership of ELACCA, speaking with various politicians and regulators around the country. We should have a national working with children check. It is absolutely ridiculous that we were talking about this when I joined the sector 13 years ago and we still do not have one. I think in Victoria in particular we would love to see a lot more alignment between various regulatory authorities. In any one particular instance we can be dealing with up to six different regulatory authorities, all of whom are asking similar questions, none of whom tend to share information. I think the bar

on losing your working with children check is too high. I think we prioritise other considerations over the person's suitability to be working with children, so I think there is lots of room for improvement.

Melina BATH: And before the rapid review, in your advocacy, did you seek to speak to any Victorian ministers, and if so, who were they?

Warren BRIGHT: No, we did not.

Melina BATH: Okay.

Warren BRIGHT: No, that advocacy came via our membership of ELACCA, the largest providers group.

Melina BATH: Okay. Thank you. You said that you actually provided a statement to the rapid review.

Warren BRIGHT: Yes, I did.

Melina BATH: And you might have thought that this committee was that, so I am not putting words into your mouth.

Warren BRIGHT: No, I just assumed the information would have been shared, that is all.

Melina BATH: Shared – no, you cannot assume that at all. That is a lesson learned for you, Mr Bright. Can you please provide that statement that you made for the rapid review for this committee on notice?

Warren BRIGHT: Yes, I am happy to provide that.

Melina BATH: Do you recall anything, any of the key messages or takeaways? Was it similar to what you just told us then about the working with children?

Warren BRIGHT: In that statement we were quite strong on the point about the need for improvement of the working with children system and about the alignment. I think the educator register was another topic that I touched on in that submission. I think the educator register could be an incredibly powerful tool for making the sector significantly safer. I do not think it is as it is currently scoped and implemented.

Melina BATH: Could you just expand on that just a little bit, Mr Bright, the educator register, just in a few moments? Could you do that?

Warren BRIGHT: Yes. The educator register at the moment is a database of educators' qualifications and dates of employment. I think it could have been much more beneficial if it was made available to providers and included more information on a person's work history.

Melina BATH: Is that nationally or is it a state-based educator register?

Warren BRIGHT: The first deployment was in Victoria, but it has been nationally adopted.

Melina BATH: So if that was there, they could track and trace as part of their investigation progress with an applicant for employment.

Warren BRIGHT: Yes, that is right, if it had more information and I could be sure that someone applying for a job, for me, is suitable. At the moment I cannot, outside of my screening process.

Melina BATH: Brilliant. Thank you. You mentioned – I scribbled some notes – within 4 hours of an event happening you expect your team, your centre, to have logged it in some way to your platform, a digital platform, an escalation platform, and 24 hours and then a summary report once a month to you et cetera. Are there any benchmark requirements for this? Are you below or exceeding them – or are there no protocols on this on a statewide basis?

Warren BRIGHT: No, there are. There is an expectation that all reportable incidents are reported to the regulator within 24 hours. That is a recent change. It used to be seven days. Twenty-four hours obviously means that regulators get a lot more notifications because any allegation is reported to them.

Melina BATH: And then your 4 hours is you setting a high expectation from your staff to come forward.

Warren BRIGHT: Yes, we want it reported as close as possible to the incident occurring.

Melina BATH: Thank you.

Warren BRIGHT: That is all right.

Melina BATH: I have got many more questions. You mentioned your payment of staff. It was 24 per cent, I think, for – I wrote down – leaders, 9 per cent for both –

Warren BRIGHT: For the centre managers, yes.

Melina BATH: Centre managers, those with a degree have 9 per cent above –

Warren BRIGHT: Yes.

Melina BATH: and across the board with 6 per cent otherwise.

Warren BRIGHT: Yes.

Melina BATH: So that is a fact; you have put that on record. Educator training – so really are you saying that you encourage training? Speak to me about training and gaps in the training system.

Warren BRIGHT: We have mandatory training – mandatory child safety and child protection training. This was in place before the federally implemented Gecco system, which was just turned on last week. We have mandatory training for all educators, and then educators, depending on their role and depending on their level of interest, can access any other kind of sort of professional development, whether that is lead educators. We have got a multimillion dollar investment at the moment over a period of years focused on developing our lead educators, because they are critically important to making sure that rooms are operated well and are high quality, educational leaders, teachers. We have a variety of other communities of practice that they can join or materials on our website that they can test themselves on or train themselves on.

Melina BATH: And do they do that in their own time? Is that something that generally, you know, is out of hours?

Warren BRIGHT: No, the mandatory training is paid for. If they choose that they want to pick up one of these other modules, they can do that, yes, typically on their own time. We also offer our lead educators three extra hours a month over and above their programming time entitlements just so that they can continue to undertake professional development as well.

Melina BATH: I had one more, but I have run out of time. Thank you very much, Mr Bright.

The CHAIR: Thanks very much. Ms Ermacora.

Jacinta ERMACORA: Thank you. A couple of questions – who provides the mandatory training that you mandate?

Warren BRIGHT: We do that internally. We have an internal learning management system.

Jacinta ERMACORA: What does that entail? Is it in person or online?

Warren BRIGHT: It is online – a digital platform.

Jacinta ERMACORA: Okay, so sort of the tick-and-flick model?

Warren BRIGHT: No, they are reasonably detailed. They are customised for each state. They are based on kind of the elements of child safety that will result in pragmatic solutions or a pragmatic understanding rather than a theoretical understanding. So people are required to read material, watch material and answer questions. Those questions change for each person who is undertaking it. So it is a properly structured program.

Jacinta ERMACORA: Okay. You were talking about room ratios versus under the roof.

Warren BRIGHT: Yes.

Jacinta ERMACORA: I just want to know in particular, if there is a carer who is either going to the toilet themselves or there is a child that needs support toileting or vomiting – we had a scenario or an example given yesterday on that – to maintain, even if you are using the under-roof model of ratios, how do you cover that in a room?

Warren BRIGHT: Across-the-service only counts those people who are directly working with children, so you have normally got other educators who may be on breaks et cetera. In an emergency we would expect the centre manager, if the centre manager is available, to step in and cover, or we would expect another team member to step in and cover. Even under the current regulations on ratios, there is an understanding in the interpretation of those ratios that in an emergency, rooms or centres maybe go out of ratio for a short period of time, but it just cannot be sustained and it cannot be something that is continued.

Jacinta ERMACORA: Thank you. If it is all right, I just want to ask some questions on your governance.

Warren BRIGHT: Sure.

Jacinta ERMACORA: Guardian Early Learning – this is public information – is majority owned by a Swiss-based private equity firm, Partners Group. Is that correct?

Warren BRIGHT: Yes, that is right.

Jacinta ERMACORA: The information on the website is exactly the same as – well, it says 183 services across Australia.

Warren BRIGHT: About that, yes.

Jacinta ERMACORA: So in terms of last financial year's profit – and I guess for a privately owned company, in some regard you do not have to declare this, but I think in the context of public subsidy money, there is a level of accountability that would be reasonable –

The massive provider recorded \$616 m in revenue –

Warren BRIGHT: That is right.

Jacinta ERMACORA:

and a \$40.5 m loss.

Warren BRIGHT: That is right.

Jacinta ERMACORA: How do you cover that?

Warren BRIGHT: It is one of those nuances of accounting statements. At an accounting level there was a \$40 million loss; at an operating level we are still cashflow positive. My owners do not take dividends out of this business on the way through, so from an operating perspective, we are cashflow positive. We tend to reinvest any surplus funds back into the network. My owners look for their ultimate return on an exit. They are my third private equity owner. From the formation of the business from 2004 to now we have had three private equity owners. We have always been regarded as high quality. So that is how that works.

Jacinta ERMACORA: And can I ask: are you also a shareholder?

Warren BRIGHT: I am – small, very small.

Jacinta ERMACORA: Proportionately small, or –

Warren BRIGHT: Very small.

Jacinta ERMACORA: Okay. All right. Thank you. Moving on to the penalties for – I guess they are recommended by the rapid review. Do you support the increased penalties for offences as recommended by the rapid review?

Warren BRIGHT: Our experience at the moment is that the significant increase in those penalties is having some unintended consequences. Educators are showing an increased reluctance to sign on as persons in management and control, not because they expect to be fined, but they are worried that if something happens in their centre they could end up having significant penalties levied against them personally. We are strong advocates for a strong regulatory system that ensures that centres have the right level of quality. We are a little concerned that significant increases in penalties could have unintended consequences. The last thing we need at the moment is more high-quality or highly experienced centre managers or educators leaving the sector. The success of this sector is dependent on the quality of the centre managers we are able to retain. So I hope that what we do not see is those penalties kind of having some flow-on effects in that regard.

Jacinta ERMACORA: Thanks. Just going back to the mandatory training, a quick question before my time is up. I just was interested in what elements of the abuse dynamic are included in your mandatory training.

Warren BRIGHT: We cover both child safety and child protection, so we will cover grooming behaviours, we will cover triggers –things to look for, triggers to look for. We will then work through some of the lesser child sexual abuse elements. The training is influenced and informed by our experience – again, situations that can lead to educators responding in a way that is not acceptable. So it covers both child sexual abuse all the way through to harm and hazard supervision.

Jacinta ERMACORA: Thanks. I think my time is up.

The CHAIR: Thank you. Thank you, Mr Bright. That brings our session to a close this afternoon. You will receive a copy of the transcript for review in about a week's time before it is published on the website, and I do know that there are some requests for information on notice.

We will now take a break to reset for our next witness, and we will come back at 2:00. Thanks very much, Mr Bright.

Witness withdrew.