HumanAbility Submission

Inquiry into the quality and safety of Australia's early childhood education and care system

October 2025

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Acknowledgement of Country

HumanAbility acknowledges the Aboriginal and Torres Strait Islander peoples as the Traditional Owners and Custodians of Country throughout Australia. We pay our respects to Aboriginal and Torres Strait Islander Elders – past and present, and recognise their enduring connection to their culture, lands, seas, waters and communities.

About HumanAbility

HumanAbility is the Jobs and Skills Council (JSC) for the Care and Support Economy. One of 10 JSCs established in 2023, our role is to provide leadership to address skills and workforce challenges for our industries, with a focus on the Vocational Education and Training (VET) qualified workforce.

We are responsible for ensuring the aged care, disability, children's education and care (CEC), health, human (community) services, and sport and recreation sectors are supported by skilled, adaptable, and sustainable workforces to achieve positive economic and social outcomes for industry, community, and individuals.

HumanAbility's four key functions are:

- Workforce planning
- Training Product development
- Implementation, promotion and monitoring
- Industry stewardship

We are tripartite. Our governance structure and stakeholder engagement approach reflect government, union and industry.

Executive Summary

A skilled, valued and sustainable workforce underpins quality and safety

The early childhood education and care sector plays a vital role in children's learning, care and development across a range of domains – cognitive, language and communication, physical, emotional, and social.

To understand fully the opportunities and challenges that relate to ensuring the highest levels of quality and safety in Australia's early childhood education and care (ECEC) system, it is essential to first understand the shape of the existing workforce and expected future need. Reforms must consider that while many factors come together to help drive the quality and safety of ECEC service delivery, at the core there must be a highly skilled, diverse, engaged, valued and suitably rewarded workforce.

A snapshot of the current workforce and forecast growth

The 2024 ECEC Workforce Census, (April-May) reported a total workforce of 211,518. Employment projections highlight continued growth in several key ECEC occupations over the decade to 2034, with (per ANZSCO occupation categorisations):

- the Certificate III and/or Diploma-qualified 'Early Childhood Educators' and 'Child Carers' workforce expected to grow by 2.3%;
- the Degree-qualified 'Early Childhood Teachers' workforce expected to grow by 8.6%; and
- the 'Child Care Centre Managers' workforce expected to grow by 8.6%.

Such workforce trends and projections are key factors when considering how the overall system can most effectively tackle the issue of improving, maintaining, and safeguarding quality and safety, for all children supported by the sector.

The workforce needed to meet demand

Labour force shortages, training and qualification issues, and the need for upskilling of the existing workforce are all contributing factors to gaps in qualified ECEC professionals to meet existing demand and support more sustainable working conditions.

Skills, training and training packages

As a Jobs and Skills Council, a key part of HumanAbility's role is to improve the quality of, and access to, contemporary training and qualifications across the care and support sectors. Of the 19 reviews we currently have underway, one is of the Early Childhood Education and Care Qualifications (CHC30121 Certificate III in Early Childhood Education). This review aims to support the development and growth of the ECEC workforce. Amongst other things it will embed, where relevant, the recommendations from the Australian

Children's Education & Care Quality Authority's 2023 'Review of child safety arrangements under the National Quality Framework: Final report – findings and recommendations for the NQF and inter-related child safety mechanisms.'

Strengthening safety components in the training package must be coupled with high quality training delivery, and consistent regulatory settings, to be effective.

A skilled, valued and sustainable workforce underpins quality and safety

The early childhood education and care sector

While HumanAbility's remit covers a broader segment that also includes Teaching Assistants and educators in Outside School Hours Care, in this submission we refer exclusively to our work, insights, and recommendations relating to early childhood education and care (ECEC) – as per this inquiry's terms of reference.

To grasp fully the opportunities and challenges that relate to ensuring the highest levels of quality and safety in Australia's ECEC system, it is essential to first understand the shape of the existing workforce and expected future need. While many factors come together to help drive the quality and safety of ECEC service delivery, at the core of related thinking and reforms must be a highly skilled, diverse, engaged, suitably rewarded, and valued workforce.

In this context, areas such as skill and knowledge attainment, training frameworks and pathways, and opportunities for ongoing professional development, all come into sharp focus. HumanAbility plays a key role across all these areas, both through our maintenance and review of related training package material, and the associated, regular engagement of a diverse group of stakeholders representing all elements of the ECEC system.

Workforce size and forecast growth

The most recent ECEC Workforce Census, which analysed the sector as at April-May 2024, reported a total ECEC workforce of 211,518. The vast majority – 167,439 – were employed in centre-based day care (also known as long day care), with around another 30,000 each in the preschool, outside school hours care, and vacation care segments. The family day care workforce was made up of just under 10,000 workers, with a very small group (less than 1,000) employed in in-home care services. The workforce is highly concentrated in urban centres; although key parts of the system, such as in

regional and remote communities, are provided by mobile services and services offered by Aboriginal Community Controlled Organisations (ACCOs).¹

Employment projections highlight continued growth in the number of key ECEC occupations over the decade to 2034, with (per ANZSCO occupation categorisations):

- the Certificate III-qualified 'Early Childhood Educators' and 'Child Carers' workforce expected to grow by 2.3%;
- the Diploma-qualified 'Early Childhood Teachers' workforce expected to grow by 8.6%; and
- the 'Child Care Centre Managers' workforce expected to grow by 8.6%.

Underpinning these forecasts are a range of factors, including federal, state, and territory reforms aimed at increasing accessibility and affordability to subsidised ECEC services, and broader demographic trends, such as population growth and increased post-COVID migration rates. For example, federal initiatives such as the 3-Day Guarantee – which from January 2026 will increase Child Care Subsidy eligibility to more families than ever – will likely result in greater demand for and enrolment in services. Schemes at state and territory level have further increased demand and will continue to do so as they progressively roll out. These initiatives reflect a welcome emphasis on the importance of early years development on child (and ultimately, broader economic and community) outcomes. The provision of an additional year of kindergarten in the year before formal schooling necessitates a greater supply of qualified early childhood teachers and other roles involved in the provision of services, including centre directors, other leaders, and roles such as cooks and cleaners.

Modelling cited in the Jobs and Skills Australia 'Early Childhood Education and Care Workforce Capacity Study' which was undertaken in partnership with HumanAbility, revealed a shortfall of around 21,000 qualified ECEC professionals to meet existing demand, and that the expansion of universal and subsidised ECEC initiatives across Australia will add a further requirement of 18,000 new staff in the coming years.⁴

In the context of such growth in demand, it is important to note the need for a diverse workforce, including staff with higher level qualifications such as Diploma and Bachelor's programs. As Early Childhood Australia (ECA) have noted, there is an

¹ Australian Government Department of Education, '2024 Early Childhood Education and Care National Workforce Census report'

² Australian Government Department of Education (2025), '3 Day Guarantee'

³ See, for instance, Victoria's <u>Best Start, Best Life reforms</u> and Queensland's <u>15 hours per week of free kindergarten</u> for all families.

⁴ Jobs and Skills Australia (2024), <u>Early Childhood Education and Care Workforce Capacity Study</u>, p.8

"unequivocal ... link between staff qualifications and training and improved outcomes for children in early childhood programs." 5

Such workforce trends and projections become key factors when considering how the overall system can most effectively tackle the vital issue of improving, maintaining, and safeguarding quality and safety, of all children supported by the sector.

Education, training, qualifications and pathways

The most common education, training and qualification pathways are:

- Certificate III in Early Childhood Education and Care (CHC30121)
- Diploma of Early Childhood Education and Care (CHC50121)
- Diploma of School Age Education and Care (CHC50221)
- Bachelor and Master of Education (in Early Childhood or Early Childhood and Primary)

These courses and qualifications are offered by a mix of TAFE institutes, universities, dual-sector providers, community education providers including Aboriginal and Community Controlled Organisations, enterprise providers, and private training providers. Additionally, Earn While You Learn (EWYL) models, such as traineeships, and Grow-Your-Own programs (including On Country programs for First Nations people, typically in regional and remote settings) provide different and often more flexible pathways.⁶

Workforce opportunities and challenges

Research and community sentiment shows that there are not enough qualified ECEC professionals to meet existing demand or to support more sustainable working conditions. These acute and sustained labour market dynamics are compounded by several pressures on the sector including that Early Childhood Teachers earn substantially less than Primary School Teachers, salaries in ECEC have only recently become more competitive with salaries of other industries within the broader care and support sectors, and while the sector's overall regulatory framework has rightly been designed to promote quality, associated compliance demands add to supply pressures and funding constraints.

Questions about the mixed market nature of the sector have also been raised. The Productivity Commission, for instance, found that "services run by not-for-profit

⁵ Early Childhood Australia (2013), 'Evidence brief on staff to child ratios and educator qualification requirements of the National Quality Framework', p.4

⁶ HumanAbility, <u>2025 Workforce Plan</u>

⁷ Jobs and Skills Australia (2024) Early Childhood Education and Care Workforce Capacity Study, p.7

⁸ Jobs and Skills Australia (2024) Early Childhood Education and Care Workforce Capacity Study, p.5

⁹ Jobs and Skills Australia (2024) Early Childhood Education and Care Workforce Capacity Study, p.6

providers, governments and schools have better NQS ratings, with 34% exceeding the standard, compared with 13% of services run by for-profit providers." In this context, the Commission observed that "some not-for-profit services use surplus funds to offer higher wages and engage more staff, which may affect the quality of ECEC offered." While this can differ from provider to provider, on average operators of for-profit services have more casual or part-time educators, pay lower wages, and have higher worker attrition rates; all of which can impact on safety and quality. 12

In its 2024 Workforce Plan, HumanAbility identified seven workforce challenges (labour force shortages, skills gaps, training and qualification issues, a lack of diversity and inclusion, data deficiencies and policy and regulatory settings) for the care and support sectors. The detail of how these challenges present in the children's education and care sectors is explored in both our 2024 Workforce Plan and again in more detail in our 2025 Workforce Plan.¹³

In this submission we discuss below several of these challenges but encourage the Committee to read HumanAbility's 2025 Workforce Plan to understand the full breadth of issues impacting on, but also opportunities arising for, the ECEC workforce.

1. Labour force shortages, including links to training and qualification issues

The leading driver behind ECEC workforce shortages is a retention gap, contributing to a misalignment between existing worker numbers and current (let alone future) demand. On average, for every new advertised vacancy there are only around 1.6 suitably qualified applicants, with the issue even more acute in some regional and remote areas. Two key, interrelated drivers have been at play here. First, existing qualified workers have left the sector in concerning numbers, with many others expressing low levels of desire to remain in the workforce over the longer term. Secondly, the supply of new graduates – particularly from the Diploma program – has not kept pace with rising enrolments. Consultations with stakeholders have suggested this shortfall may owe to various reasons, including but not limited to the complexity and length of the qualifications, and issues finding suitable and flexible placements in industry that strike the right balance between students' study and life responsibilities.

HumanAbility has recently worked on, and continues to develop, targeted strategies to help alleviate these issues. A recently endorsed review of entry requirements for the Diploma of ECEC, for example, will allow holders of earlier versions of the Certificate III

¹⁰ Australian Government Productivity Commission (2024), <u>A Path to Universal Early Childhood Education</u> and Care: Inquiry Report – Volume 1, p.14

¹¹ Australian Government Productivity Commission (2024), <u>A Path to Universal Early Childhood Education</u> and Care: Inquiry Report – Volume 1, p.14

¹² Australian Broadcasting Corporation (2025), '<u>Four Corners – Betrayal of Trust: Australia's Childcare Crisis</u>'.

¹³ HumanAbility, 2025 Workforce Plan; 2024 Workforce Plan

¹⁴ HumanAbility, 2025 Workforce Plan, 'Children's Education and Care sector profile', p.24

to enrol in the higher qualification. Stakeholder feedback had indicated strongly that the previous entry requirements inhibited pursuit of the Diploma program.

HumanAbility's review of ECEC qualifications presents additional opportunities for alignment of the VET pathway with evolving industry job roles. This work, underpinned by detailed functional analysis, is motivated by multiple, intersecting considerations. Improving, updating, and amending qualifications may enhance student engagement and prepare them to enter the workforce confident that they possess the necessary skills and knowledge, ideally improving long-term worker retention. HumanAbility's qualification review work also centres on ensuring that emerging sectoral trends and priorities, such as the renewed focus on child safety and service quality, are used to directly inform and shape the qualifications.

A current HumanAbility research project, discussed further below, is exploring best practice approaches to addressing placement poverty and matching students with suitable, flexible, and engaging placement opportunities.

Other promising levers to address labour force shortages are arising at broader systemic levels. For instance, although it remains too early to quantify the impact, it is noted that promising developments in the industrial relations landscape – by way of Fair Work Commission wage decisions and the introduction of multi-employer bargaining – may serve to reduce workforce attrition by improving rates of pay and associated job satisfaction. Meanwhile, continuing work around student engagement, a growth in employer-initiated mentoring schemes and student wraparound support service provision at training provider level, are having positive impacts. These mentoring and student support schemes, offer profound potential in a child safety and service quality context, possibly enhancing diversity in the ECEC workforce through culturally aware and sensitive approaches to training and skills development.

2. Skills gaps

The aforementioned retention gap is especially acute among the higher qualified Early Childhood Teacher (ECT) segment. In the context of regulatory requirements relating to ratios of ECTs to children, these issues around the overall composition of skill levels within the sector (particularly in less urban and populated regions) have had flow-on impacts on child safety and service delivery quality through the application for and granting of staffing waivers. In a circular manner, such trends ultimately contribute to worker burnout (for instance, the need for existing staff to work overtime or under greater pressure, and a lack of focussed time being provided to onboard new staff). Any measures rightly aimed at consolidating child safety must take the potential impact on the workforce – at all levels of experience and skill – into consideration.

While opportunities exist for the introduction of relevant material into future revisions of training products, HumanAbility also welcomes calls for upskilling of the existing

workforce, including through mandatory child safety and safe sleep training. Training in leadership capabilities, and initiatives aimed at coaching and mentoring new staff, trainees and students, also present as opportune levers with which to focus on specific child safety elements and concepts. However, in the context of existing workload pressures for many in the sector, such developments must also strike the balance between the urgent need to safeguard children and not adding undue time or financial pressures on workers. This includes ensuring adequate staffing levels to maintain high educator-child ratios while allowing for dedicated release time for professional development needs.

All stakeholders have a role to play in transitioning the ECEC system from a current state in which the legislative focus is on child protection towards a future state in which child safe cultures are deeply embedded at all stages; from underlying qualifications through to on-the-job training, upskilling, and ongoing professional development.

Skills and training

As a Jobs and Skills Council, a key part of HumanAbility's role is to improve the quality of, and access to, contemporary training and qualifications across the care and support sectors. We currently have 19 qualification reviews underway including four in children's education and care all of which seek to:

- Ensure training packages are meeting industry and student needs, particularly responding to recommendations of recent Royal Commissions and Government inquiries.
- Support the delivery of structured, quality training programs aligned to industry need.
- Develop and support the delivery of training which meets the needs of regional/remote communities and supports greater access to employment opportunities in these areas.
- Identify systemic barriers to training delivery in regional areas.

Training packages

Two of the qualification reviews in Early Childhood Education and Care (within the CHC training package) that HumanAbility has underway and of relevance to this inquiry are:

1) The Diploma of Early Childhood Education and Care Entry Requirements Review (completed and endorsed by Skills Ministers in August 2025).

This review resulted in the Diploma's entry requirements being amended such that earlier Certificate III qualifications in early childhood education and care or children's services are recognised.

2) A review of the Early Childhood Education and Care Qualifications (CHC30121 Certificate III in Early Childhood Education and Care and the CHC50121 Diploma of Early Childhood Education.

This review, which aims to support the development and growth of the ECEC workforce will, in doing so, consider relevant skills and training and workforce development findings and recommendations in recent reports including:

- The Victorian Government's 'Rapid Child Safety Review' (2025)
- Jobs and Skills Australia's '<u>The Future of Early Childhood Education</u> <u>Profession</u>' (2024)
- The Productivity Commission's 'A path to universal early childhood education and care' (2024)
- Australian Children's Education & Care Quality Authority's 'Review of child safety arrangements under the National Quality Framework' (2023)
- The 2019 National Quality Framework Review Decision Regulation Impact Statement (DRIS): 'Legislative change to require compulsory training on safe sleep practices for all FDC educators subject to governments undertaking further research, costing and impact analysis of any proposed training and the implementation approach'.

In this project, HumanAbility will embed relevant recommendations from the Australian Children's Education and Care Quality Authority (2023), 'Review of child safety arrangements under the National Quality Framework: Final report – findings and recommendations for the NQF and inter-related child safety mechanisms.'

In particular, Recommendation 12, which emphasises mandatory child safety training for all individuals involved in childcare settings, including Approved Providers and staff. Ensure training covers critical areas such as:

- Identifying, reporting, and responding to child maltreatment using traumainformed practices.
- Recognising grooming behaviours and understanding developmentally expected versus concerning behaviours in children.
- Implementing effective supervision and behaviour guidance, considering legal implications of discipline.
- Make training accessible through both pre-service qualifications and in-service professional development, with refresher courses required every two years.

HumanAbility's role in this context will be ensuring that content within existing qualifications aligns, and is not in contradiction, with materials that will be covered in the newly developed mandatory training.

While HumanAbility will focus where needed on incorporating elements relating to child safety and how this relates to high quality service delivery, a balance must be struck in ensuring that other key learnings, knowledge, and skills are not diluted in the process. The vital connections between child safety and quality and, for instance, pedagogical concepts underpinning best practice, such as play-based learning and the development and instilling of strong educator-child relationships, cannot be overplayed. The need for a considered and careful approach to best meet the emerging need for safety-related skills and knowledge in existing qualifications such as the Certificate III and Diploma of ECEC is heightened by stakeholder feedback showing that such programs are already among the most demanding – from a content, assessment, and practical placement perspective – in the VET system.

A key consideration in this context is ensuring an ongoing focus on the quality of training providers' delivery of qualifications. Within this space, HumanAbility emphasises the need for mandatory updates to child safety related training to extend to the underlying training provider system – including teachers, trainers and assessors – not just workers already within ECEC settings. Such a focus would become a key pillar in developing, as highlighted above, an entire system underpinned by child safe cultures at all stages of the career pathway.

Education, skills and training

Beyond HumanAbility's training package work, we are continually working on initiatives and projects aimed at building workforce capacity, in the context of both existing and future need. We play a governance role, and contribute more broadly to the work of, the recently established TAFE Centre of Excellence for Early Childhood Education and Care, which seeks to pioneer information sharing and resource development around ongoing improvements to service delivery and practice.

Elsewhere, current HumanAbility research projects are exploring Earn While You Learn models such as traineeships in all sectors within our remit, (including ECEC), and how training providers and industry partners could ensure the highest quality teaching and qualification delivery (including of practical placements) to increase student engagement. Both projects will generate important learnings for how strengthening outcomes from VET pathways may help narrow the ECEC retention gap; for instance, by leading to qualification completions better keeping pace with rising enrolments.

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¹⁵ Australian Education Research Organisation (2023), 'Secure, respectful and reciprocal relationships: Play-based learning and intentionality'

Wider systemic factors

While beyond HumanAbility's direct workforce-related remit, our consultations with stakeholders from across the sector have surfaced additional elements that will arguably contribute to ongoing improvements in child safety frameworks and the delivery of high quality ECEC practice. Reinforcing similar recommendations and findings from inquiries outlined earlier in this submission, these include:

- Enhancements to the regulatory framework governing and overseeing ECEC, at both national and jurisdictional levels, to ensure, for instance, more consistent and regular assessments of service providers across all National Quality Standard domains; and
- Measures to improve service availability and accessibility in remote and regional areas, including consideration and development of initiatives aimed at training, attracting, and retaining skilled staff.