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MEDIA RELEASE

Wage increase for Early Educators: ACA acknowledges historic wage decision, calls for long-term Government Commitment

The Australian Childcare Alliance, representing thousands of early learning service providers across Australia has called for long-term government commitment to fund wage increases of up to 27 per cent for educators in Early Childhood Education and Care to ensure centres remain viable.

Today, an interim decision was released by the Fair Work Commission resulting from the gender-based undervaluation – priority awards review, announcing wage increases of between 15 and 27 per cent for most early childhood educators phased in over five years.

Australian Childcare Alliance President Paul Mondo said that paying fair wages to valued educators was a key factor in retaining a valued and skilled workforce.

“For over 18 months, we participated in Australia’s first tripartite negotiations with Government and unions to secure a fully government-funded wage increase for workers that would ensure they are fairly paid, while also ensuring early learning services remain viable,” he said.

In January, the first Worker Retention Payments were granted to support wage increases of 15 per cent over two years.

Mr Mondo said services who were already accessing those grants would not be affected as the wage increases announced today would be absorbed into them for the term of the worker retention payment. However, beyond this period a longer-term funding arrangement would be needed to ensure families do not bear the cost.

“Our focus is that the wage increases announced today will be funded by Government to avoid families bearing the cost,” he said.

The ACA urges all political parties to publicly commit to fully funding the Fair Work Commission’s wage decision in their election platforms and prioritising workforce sustainability in early childhood education and care.

“Whichever party forms Government on May 3, they must work with the sector to manage this decision and ensure long-term viability of our sector, and manage the affordability impact on families.”

The wage increases will be phased in over five years, starting from August 1, with five per cent increases annually.

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Media enquiries: Anne Wright, CPR Communications 0411 035 695

☎ 0411 587 170

✉ president@childcarealliance.org.au

🌐 www.childcarealliance.org.au

Level 1, 1535 Dandenong Rd
Oakleigh VIC 3166