



Australian Government

Australian Government response to the
Senate Education and Employment Legislation Committee
report:

*Wage Justice for Early Childhood Education and Care Workers
(Special Account) Bill 2024 [Provisions]*

MARCH 2025

Committee Recommendations

- 1. The committee recommends that the bill be passed.**

The Australian Government accepts the recommendation. The bill passed both Houses on 26 November 2024 and received Royal Assent on 10 December 2024.

Greens Recommendations

- 1. That the Australian Government amends the bill to fully fund a 25 percent wage increase for early childhood educators.**

The Australian Government does not accept the recommendation. A phased wage increase of 10 per cent in the first year, increasing to 15 per cent in the second year is an economically responsible approach which also provides an historic pay increase for Early Childhood Education and Care (ECEC) educators.

- 2. That the Australian Government invests in improving educator working conditions.**

The Australian Government accepts the recommendation and notes the significant investments it has made to improve educator working conditions, including through this ECEC Worker Retention Payment.

- 3. That the bill be amended to extend the wage increase beyond the sunset provision until the Fair Work Commission decision is operational.**

The Australian Government does not accept the recommendation and notes that the ECEC Worker Retention Payment is an interim measure while the Fair Work Commission finalises its gender undervaluation review of priority awards.

- 4. That the Australian Government commits to fully funding the Fair Work Commission decision on early childhood wages.**

The Australian Government does not accept the recommendation and will not pre-emptively commit to future decisions of the independent Fair Work Commission.

- 5. That the Australian Government allocate extra funding for administrative expenses associated with the workplace instrument.**

The Australian Government notes the recommendation and is providing \$10.0 million from 2024-25 for the ECEC Worker Retention Payment Engagement Program to support services to meet the requirements and conditions of the grant, including the workplace instrument.

6. That the Australian Government increase transparency on grant calculations for providers in the grant guidelines.

The Australian Government does not accept the recommendation. The ECEC Worker Retention Payment provides funding to cover a 10 per cent wage increase for all eligible workers from 2 December 2024, an additional 5 per cent wage increase for all eligible workers from December 2025 and a minimum of an additional 20 per cent, calculated against the wage increase, for on-costs. If services do not receive sufficient funding to cover this, they may apply for a funding review.