

MEDIA RELEASE

Federal Budget leaves families, early educators & services in limbo

12 May 2026

National early education peak body Community Early Learning Australia calls for the Federal Government to commit to extending the Worker Retention Payment now.

Services have been left in limbo about federal funding for educators' 15% wage increase, which runs out in November 2026.

Decisions about fees are being made now. Without funding certainty:

- Families won't know what they'll pay for early education
- Services won't know whether they'll need to pass wage costs onto parents
- Educators and teachers won't know whether their wages will go backwards.

This government can't afford to lose its hard won progress made towards a universal quality system, gained from historic investment over the past three years.

The first tranche of the Worker Retention Payment has worked. It has delivered professional wages for over 200,000 women educators and teachers, reduced vacancies and increased workforce retention in record time. It has been the driving factor in improving quality and safety for children in early education – delivering stability in staff – without increasing fees for parents.

The Federal Government can't afford to ignore early childhood education as an essential priority for families and our economy. Over 1.4 million children rely on early education and care every week. Early education fees are often the second largest family expense after housing.

Quotes attributed to Community Early Learning Australia CEO Michele Carnegie:

“An extension to the Worker Retention Payment should be a ‘no brainer’ for a government committed to delivering universal quality education and care.

Silence on the future of the Worker Retention Payment means families, services and educators will be left in limbo this Federal Budget.”

Interview opportunity

- CELA's CEO Michele Carnegie is available for interview in Canberra or online.

Media contact: Laura Stevens (0431 380 471) or Louise Yabsley (0419 249 236).

Background

CELA supports over 1,800 members employing more than 27,000 educators and teachers nationally including community-managed not-for-profit, government and privately owned small providers delivering preschool, long day care, outside school hours care, and family day care services.

CELA negotiated the first national supported bargaining agreement on behalf of not-for-profit early education and care providers. This process was the catalyst for the Federal Government's \$3.6 billion commitment to fund a 15% increase in early childhood wages through the Worker Retention Payment.