



PASCAS FOUNDATION (AUST) Ltd ABN 23 133 271 593
Unit 1, 32 Bath Street
Labrador 4215 Queensland Australia

Bs +61 452 436 227
www.pascashealth.com www.pascasworldcare.com
Em: info@financefacilities.com

Chaldi Community Child Care Centre

Not for profit

Board of Parents

Parents and Carers extended visits






Appropriate staff wages and support

Ongoing staff training

Nutritious food for all

Holistic whole of life agenda!

Kindly go to www.pascashealth.com, then Library Download page, scroll a long way down to Corporate Alliances, and click on to open:

-  [Chaldi Child Care Centre - Safe Space.pdf](#)
-  [Chaldi College Free to Learn Instinctively.pdf](#)
-  [Chaldi College Free to Learn Pathway.pdf](#)
-  [Chaldi College I Love Reading.pdf](#)
-  [Chaldi College Primary thru to High Feelings First.pdf](#)

Betrayal of Trust: Australia's Childcare Crisis

<https://www.abc.net.au/news/2025-03-17/betrayal-of-trust/105063150>

<https://www.abc.net.au/news/programs/4corners>

17 March 2025

'Betrayal of Trust: Australia's Childcare Crisis'

Four Corners

17 March 2025

ANONYMOUS MUM: It's important for parents to know the truth to know what's happening to their children.

ADELE FERGUSON, REPORTER: It's illegal for us to reveal this mother's identity, her children, or where they live. We're meeting in a public place to go through documents about an ordeal in 2022 that shattered her life.

ANONYMOUS MUM: No one, no one was doing their jobs. It was me at the end of the day who had to go and contact police. A year prior I'd been teaching him body safety and abuse prevention and that's at the end of the day what saved him. I was picking my son up for childcare... then he mentioned that, um, his daycare worker had touched him on the penis.

ADELE FERGUSON, REPORTER: This vision has never been seen by the public. It captures a rare and harrowing moment when her four year old tells her what happened to him that day.

SON: His name is Ali.

ANONYMOUS MUM: And what did you say he was doing? You can tell me.

SON: He pinched me on the doodle. That's what he done.

ANONYMOUS MUM: When you were doing a wee?

SON: No. When I was standing close to him he pinched my doodle. And he was doing that to some of the other boys. And he was being mean to all of us.

ANONYMOUS MUM: Ah...

SON: And he also makes some of us cry. He makes me cry.

ANONYMOUS MUM: Have you got your pants on or up? Is it when your pants are normal?

SON: My pants are on. It makes me feel sad.

ANONYMOUS MUM: Makes you feel sad

SON: Yeah. And he makes me not have a good day and he done it today.

ADELE FERGUSON, REPORTER: Muhammad Ali was found guilty of indecently touching her son. He's currently serving an 18-month sentence. Court documents reveal prior to joining the centre he was unemployed twice due to drug use.

ANONYMOUS MUM: They're desperate for staff and they're not doing their checks.

ADELE FERGUSON, REPORTER: And the centre never said anything.

ANONYMOUS MUM: The childcare never told any of the parents whose children were in direct care of the sex offender. And I get that some parents are like, oh, well it would never happen to me, but how do you know it hasn't happened already? You, you wouldn't know. 'cause they don't tell you everything's a secret and they don't care about your kids. They wanna, they're there to make money and that's the bottom line. They're there to make money.

ADELE FERGUSON, REPORTER: When it comes to sexual misconduct and offences, at least 1 a day is reported in Victorian, WA and NSW childcare centres. In Queensland, Northern Territory and South Australia there is no reportable conduct scheme. Her son endured a gruelling cross examination in court, triggering anxiety attacks.

ANONYMOUS MUM: I didn't even know that they were gonna be cross examined. If we had not gone through the court case, he could have easily gone to New South Wales, he could have gone to any other state and started working with children again.

ADELE FERGUSON, REPORTER: Mohammad Ali is due for release from prison in May ...

ANONYMOUS MUM:: this year he randomly came up to me and told me that um, he was doing it to him every single day at childcare and my son was going there full time.

ADELE FERGUSON, REPORTER:

aferguson@protonmail.com



out of centres – a 49% increase in 3 years – and more than 3,000 babies and toddlers are sent to hospital each year with injuries sustained in childcare.

TITLE: “Betrayal of Trust: Australia’s Childcare Crisis”



In this one-hour special – the devastating reality of Australia’s childcare crisis. We reveal systemic failures and the catastrophic impact of putting profits before care and with regulation of this 20-billion-dollar sector in tatters, families are paying the ultimate price. When we see footage like this and this the narrative is the same, they are the exception. But the evidence tells a different story. We’ve analysed the data and found a disturbing surge in serious incidents ... more than 26,000 cases in 2024... a 27% jump in three years. Every day at least 7 children go missing or are locked

out of centres – a 49% increase in 3 years – and more than 3,000 babies and toddlers are sent to hospital each year with injuries sustained in childcare.

ADELE FERGUSON, REPORTER: Almost one and a half million children are enrolled in childcare. Parents trust they will be safe. But some centres are not what they seem.

‘JANE’: It was all pretence. It was all fake. I would say it's the house of horrors and the people in it are the devil.

ABIGAIL BOYD, NSW GREENS MLC: It's

really horrific what people do when they don't think anyone's watching.

ASHLEY SY, CHILDCARE WORKER: The industry has been in crisis for a very long time.

ADELE FERGUSON, REPORTER: So they see a child, what do they see?

CHEY CARTER, FORMER CHILDCARE WORKER: Dollar Signs.

LETIHA LOVEDAY, FORMER CHILDCARE CENTRE MANAGER: I want the public to know the reality of childcare. Know exactly what they're actually putting their children into.

ADELE FERGUSON, REPORTER: Childcare is underpinned by billions in government subsidies, the sector is now dominated by private operators - listed companies and private equity where profit often trumps care.

CHEY CARTER, FORMER CHILDCARE WORKER: Managers who were once passionate educators are now business managers who are worried about profit and loss ... It's no longer about community or education. It's business.

ADELE FERGUSON, REPORTER: Whistleblowers, industry insiders and parents are breaking their silence. They are lifting the lid on a sector in crisis and in urgent need of reform.

ABIGAIL BOYD, NSW GREENS MLC: These big companies...came into childcare and started preying on our children. And I don't think any of us knew that that's what was going on.

GFX: In the last decade, for profit operators have opened 95% of all new childcare centres.

ADELE FERGUSON, REPORTER: This is not the image of childcare you'd expect. Affinity Education is one of Australia's largest private chains...It's owned by private equity. Top performers are celebrated and staff are playfully dubbed 'freaks'...at lavish parties.

ADELE FERGUSON, REPORTER: In regional Victoria, Letiha Loveday was a top performer - passionate about childcare... until she spent time at Affinity.



LETIHA LOVEDAY, FORMER CHILDCARE CENTRE MANAGER: As a centre manager I would leave my house in the morning with a pit in my stomach. And I'd take an extra change of clothes with me because nine times outta 10 in my hour drive to work, I'd throw up on myself. Um, I'd get to work, I'd clean myself up, literally listen to pump up music, the whole drive in so I could get ready to lead my team the right way. Um, but it was killing me inside.

ADELE FERGUSON, REPORTER: Affinity operates more than 250 centres nationwide. Letiha says its strict financial targets and

incentives drive managers to prioritise profit over care.

LETIHA LOVEDAY, FORMER CHILDCARE CENTRE MANAGER: So the amount of staff that we could put on had to be bare minimum. We had occupancy targets, wage targets, labour targets, revenue

and profit targets.

ADELE FERGUSON, REPORTER: And so did you get bonuses if you met the targets?

LETIHA LOVEDAY, FORMER CHILDCARE CENTRE MANAGER: Yep. So as a centre director, I have had, have received incentives, um, into my pay check. So if you didn't meet those targets, you could be placed into like intensive groups. And you weren't actually achieving anything that was actually quality or a part of your job scope in order to meet these KPIs for them to build profit. On those days when staff were away, I as a centre manager would obviously pick up the slack.

ADELE FERGUSON, REPORTER: So you were doing how many jobs?

LETIHA LOVEDAY, FORMER CHILDCARE CENTRE MANAGER: At a time? Four to five. It was a point there where I was having to cook meals in a storeroom. So, I could still supervise children at the same time just so they could eat.

ADELE FERGUSON, REPORTER: With Affinity, the kids weren't put at the centre of things?

LETIHA LOVEDAY, FORMER CHILDCARE CENTRE MANAGER: Absolutely not. No.

ADELE FERGUSON, REPORTER: What was at the centre of it?

LETIHA LOVEDAY, FORMER CHILDCARE CENTRE MANAGER: Profit at all times. This is a culture that is built into for-profit services. To climb that ladder, you have to meet that culture. Um, if you don't, you're not gonna succeed. Unfortunately, for me, there's a lot of times that I have met that culture, which is why I was able to climb that ladder. And then I took a real hard, realistic look at myself and said, I can't do this anymore.

ADELE FERGUSON, REPORTER: Chey Carter had a similar experience working as a centre manager at Affinity, first in Sydney then in Canberra. So what toll did it take on you working at Affinity?

CHEY CARTER, FORMER CHILDCARE WORKER: Um, I, I tried to end my life. That bad.
chey@diverged.com.au <https://www.diverged.com.au/> <https://www.edubuddy.com.au/>

ADELE FERGUSON, REPORTER: What sort of targets did you have?

CHEY CARTER, FORMER CHILDCARE WORKER: We had occupancy targets. Every week we had a certain number. We had to reach, uh, casual bookings. So all financial business targets...



ADELE FERGUSON, REPORTER: It's more than just targets. There's been almost 1,900 breaches at NSW Affinity centres during the last four years, according to the NSW department of education. Affinity says it is more like 1,700 breaches. Parents and insiders told Four Corners they witnessed some shocking incidents.

VOICE OVER #1: A child got given the wrong formula and ended up in hospital.

VOICE OVER #2: my son is non-verbal... turned out he fractured his ankle... the centre told me they didn't notice.

VOICE OVER #3: They tell you they are cooking slow cooked lamb tagine... you go in and it is 2 min noodles in bulk.

VOICE OVER #4: There were times I would walk into a room and there was 1 educator to 21 children... it was like a zoo.

ADELE FERGUSON, REPORTER: One of Affinity's most troubled centres is Spring Farm in Sydney's South West, It racked up a staggering 20 breaches last year including for inappropriate discipline and injuries. Does it surprise you that they're that bad?

ABIGAIL BOYD, NSW GREENS MLC:

abigail.boyd@parliament.nsw.gov.au



If you know anything about private equity, it's not that surprising. They take over, um, services in order to squeeze as much profit out of them as possible. They're leaving just the worst places behind that you would ever wanna send your child.

ADELE FERGUSON, REPORTER: What does that say to you?

ABIGAIL BOYD, NSW GREENS MLC: It seems that it doesn't matter how much you underperform, how many breaches you have. Um, the regulator is really happy to continue to give you exemptions to allow you to open, uh, new services. Um, the government is happy to give you grant money.

ADELE FERGUSON, REPORTER: Australia's childcare industry is meant to be tightly regulated—but the system is failing. At the national level, ACECQA (**Australian Children's Education & Care Quality Authority**) sets the standards. But it doesn't enforce them. That job falls to state and territory regulators. Each state decides how to inspect, investigate, and penalise childcare providers. And enforcement is inconsistent. Inspections of centres are infrequent and some haven't been rated for nine years. States can issue fines for breaches or let violations slide. Even when serious breaches are found, some centres aren't shut even temporarily. With no uniform system and weak enforcement, children's safety is at risk. <https://www.acecqa.gov.au/>
<https://www.acecqa.gov.au/nqf/national-quality-standard>



Australian Children's
Education & Care
Quality Authority



ADELE FERGUSON, REPORTER: Do you think there's much under reporting by educators and providers to the regulator?

CHEY CARTER, FORMER CHILDCARE WORKER: Yeah, absolutely.

ADELE FERGUSON, REPORTER: Is it the law to, for them to actually notify?

CHEY CARTER, FORMER CHILDCARE WORKER: But educators are afraid.

ADELE FERGUSON, REPORTER: Why?

CHEY CARTER, FORMER CHILDCARE WORKER: Because they're afraid they'll lose their job. you, you learn to keep quiet.

ADELE FERGUSON, REPORTER: Former Affinity worker Johanna Hugo reported misconduct but says she was ignored. A child's family complaint finally sparked an investigation. Four Corners obtained a recording of her October meeting with the regulator.

REGULATOR AUDIO: Do you understand that everything we are saying in this conversation is being recorded on this audio recorder?



JOHANNA HUGO: Yes.

ADELE FERGUSON, REPORTER: Johanna details an educator inciting children to spit and hit a child.

JOHANNA HUGO: She told the children, everyone, uh, hit Alex everyone spit on Alex, and then the children did hit him and he was screaming. There was like more or less 20 children sitting there and they all like got up onto the knees and they smacked him.

ADELE FERGUSON, REPORTER: Johanna says her colleague then restrained the child.

JOHANNA HUGO: she basically kind of kneeled over him, like hands and legs to try and stop him from moving and calm him down.

ADELE FERGUSON, REPORTER: The educator left... Johanna was fired three weeks after speaking to the regulator. Affinity told us safety is a priority for the 22,000 children they look after. They say they're committed to upholding the highest standards in all aspects of their operations. They're working with the regulator to improve systems and processes at Spring Farm. And in the case of Johanna, the company says it terminated her over performance issues.

GFX: Every day 72 serious incidents occur in childcare such as injuries, ambulance callouts and missing children



PROF. GABRIELLE MEAGHER, EMERITUS PROFESSOR, MACQUARIE UNIVERSITY:

gabrielle.meagher@mq.edu.au

The thing that frightens me most is how uninterested governments are in this problem. They throw enormous amounts of money into childcare. Enormous amounts of money are going to private businesses that ultimately are not mainly focused on meeting the needs of the vulnerable people, that they are being commissioned to look after and support and educate.

ADELE FERGUSON, REPORTER: Professor Gabrielle Meagher has studied privatised social service systems for decades. She is worried about the trend in childcare.

PROF. GABRIELLE MEAGHER, EMERITUS PROFESSOR, MACQUARIE UNIVERSITY: Yeah, so every year about three or 400 new childcare centres open, and of them about 95% or so are for-profit centres.

ADELE FERGUSON, REPORTER: She says for-profit operators now dominate, running nearly three-quarters of long daycare centres...

PROF. GABRIELLE MEAGHER, EMERITUS PROFESSOR, MACQUARIE UNIVERSITY: I think people would be very surprised to see how many real estate brokers, property developers, and investment bankers are looking to make big money into the childcare sector.

ADELE FERGUSON, REPORTER: Billions of dollars in government subsidies are fuelling the private sector boom. Operators can get away with charging more than AU\$200 a day per child – or AU\$1,000 a week.

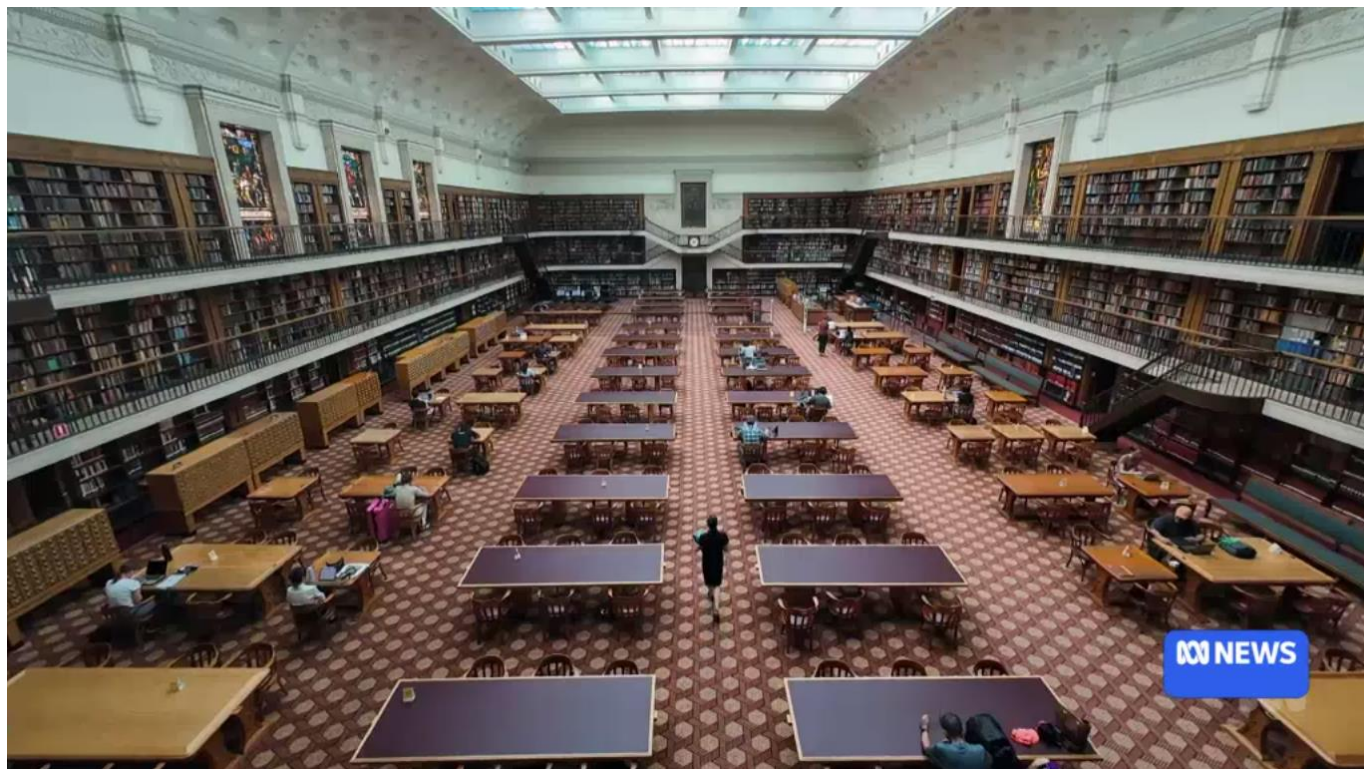
PROF. GABRIELLE MEAGHER, EMERITUS PROFESSOR, MACQUARIE UNIVERSITY: Providers are allowed to charge whatever fees they like, and large for-profit providers charge higher fees than large, not-for-profit providers, uh, for example, um, while also spending less on their staff. So basically the whole industry is massively underpinned by a secure and growing stream of government income, which makes it pretty attractive.

ADELE FERGUSON, REPORTER: Professor Meagher says families should be concerned... and cites landmark research from the ACCC showing large for-profit providers are more likely to deliver lower quality services compared to community and non-profit services.

PROF. GABRIELLE MEAGHER, EMERITUS PROFESSOR, MACQUARIE UNIVERSITY: There is a mountain of evidence that large for-profit providers deliver on average lower quality services... They have

more part-time and casual staff. They pay lower wages, they have higher turnover. It adds up to a whole picture of a misalignment of incentives between the public purpose and families and children's needs and the goals of these organisations.

ADELE FERGUSON, REPORTER: Childcare Consultant and former early learning educator Chey Carter has studied all states and believes NSW is the worst when it comes to transparency.



CHEY CARTER, FORMER CHILDCARE WORKER: In comparison to the other states, there's, there's not enough information.

ADELE FERGUSON, REPORTER: So are you saying that parents are essentially in the dark?

CHEY CARTER, FORMER CHILDCARE WORKER: Yeah, absolutely.

ABIGAIL BOYD, NSW GREENS MLC: If the public had even the slightest idea of how horrendous these incidents are in a lot of these centres, there would be an absolute uproar. And they don't wanna have to deal with that. They don't wanna have to deal with the angry parents wanting to know why they weren't told earlier that these things were happening at the places they're leaving their children.

ADELE FERGUSON, REPORTER: NSW Greens politician Abigail Boyd has been working with Four Corners for the last six months. The former corporate lawyer is helping us expose what's really going on inside childcare. What's the biggest revelation to you?

ABIGAIL BOYD, NSW GREENS MLC: Just how much is being kept a secret. You know, this is, this is not just, uh, a whole sector that wants to hide this from the public. It's also the regulator. It's the government that are pumping so much money into this sector. Um, nobody wants people to know what's actually going on.

ADELE FERGUSON, REPORTER: To understand what's really going on – we needed to dig into the scale of the breaches and how the regulator was responding. In November Boyd invoked an SO 52, it's a

powerful parliamentary order to release secret departmental documents...

ABIGAIL BOYD, NSW GREENS MLC: I asked for all of the documents from the regulator in relation to particular service providers so that I could have a look at what action the regulator was taking in response to breaches, um, of the national law.

ADELE FERGUSON, REPORTER: She says the NSW government and the department fought hard to block their public release.

ABIGAIL BOYD, NSW GREENS MLC: The worst thing is they have said to me now numerous times that even by asking for these documents, I'm putting children at risk because the regulator will somehow be distracted from their core function by me just simply asking, um, for them to be transparent and accountable.

ADELE FERGUSON, REPORTER: In December she gained access to a fraction of the documents, but they were placed under privilege, blocking Four Corners and the public from accessing most of them.

ABIGAIL BOYD, NSW GREENS MLC: I had this deep pit, this feeling in my stomach of just revulsion and horror. Um, and this is just a smidgen of what we would get if we were to have all of the documents. This is, you know, literally a thousandth of what I asked for.

ADELE FERGUSON, REPORTER: So what sort of things did you discover?

ABIGAIL BOYD, NSW GREENS MLC: So, I can't tell you details because of the way that they have covered this up. And, um, I'm yet to have those documents released, but I can speak in general terms and I can tell you that there were multiple, uh, reports of inappropriate sexual touching, multiple reports of educators, treating children, really roughly lots of broken elbows, broken wrists, um, kids being kicked, a lot of kids being verbally abused, yelled at, um, and a lot of, unfortunately, inappropriate restraint, force feeding, um, forcing children to go to sleep, putting pillows over their heads. I just, and this is just one tiny amount, this is just one little snapshot of what is going on in these centres. It's not normal.

ADELE FERGUSON, REPORTER: The NSW Government recently launched an inquiry into childcare. Do you think that would've happened without your request for the documents?

ABIGAIL BOYD, NSW GREENS MLC: I know it wouldn't have happened without the request for the documents.

ADELE FERGUSON, REPORTER: The education department told us it's complying with the SO52. The NSW minister for Early Learning Prue Car was unavailable for an interview with Four Corners. In a statement she said she launched the inquiry to make sure the rise in breaches was due a crackdown in enforcement rather than a rise in serious systemic concerns. A few documents from the department were made public... That's how we tracked down Dinh Trang. From the outside, it looks like house ... until you go inside ... and see a childcare centre without children. It was closed by regulators in July last year after a decade of breaches. The owner of Three Bears, Dinh Trang, dubbed "captain," by staff ... moved into the childcare industry in 2010.

DINH TRANG, OWNER, 3 BEARS: We open on 2010. This room is the baby room.

ADELE FERGUSON, REPORTER: For years, the NSW regulator failed to act as Trang amassed hundreds of breaches—over-enrolling, shuffling kids to evade inspections, and allegedly leaving them in a van for three hours without water to avoid authorities. He agreed to speak... denying all allegations.

DINH TRANG, OWNER, 3 BEARS: Not true at all. Another, uh, uh, false allegation. This, a minibus, it's fully equipped and it's not a van, it's a minibus. And it's, it is a comfortable for the children.

ADELE FERGUSON, REPORTER: I think the allegation was not the quality of the van. But that kids were hidden in the van to hide them from the regulator.

DINH TRANG, OWNER, 3 BEARS: It's not true.

ADELE FERGUSON, REPORTER: Did the children go in the van for any reason?

DINH TRANG, OWNER, 3 BEARS: No. No. There for excursion... we take a lot of excursion for children. Um, normally we take up to three times per week.

ADELE FERGUSON, REPORTER: Where did you take them?

DINH TRANG, OWNER, 3 BEARS: On, uh, library, uh, shopping centre, post office and park.

ADELE FERGUSON, REPORTER: Despite repeated breaches and emergency action notices over child safety concerns, Trang remained in operation in 2023. Serious injuries such as fractured elbows and hands went unreported and untreated. By September 2023 the failures escalated, a child suffered a knee injury that required surgery – and the family had to call an ambulance. Texts reveal a culture of coercion. Staff were rewarded for over-enrolling and threatened with pay cuts if numbers didn't rise. Text messages show Trang warning staff, "If the DOE [Department of Education] visited the services and children were not transported, there will be death on the whole group. Another says: "one more complaint from parents or one more child pulling out" staff would be terminated.

DINH TRANG, OWNER, 3 BEARS: Definitely not true at all.

ADELE FERGUSON, REPORTER: Trang fought to stay open, taking the case to a NSW Tribunal, NCAT, but lost. The tribunal found Trang had a "tendency to incorrectly state the truth". He claims he's the victim of a conspiracy led by parents.

ADELE FERGUSON, REPORTER: And you are suggesting that they then turned on you?

DINH TRANG, OWNER, 3 BEARS: Yes.

ADELE FERGUSON, REPORTER: As well as some staff turned on you.

DINH TRANG, OWNER, 3 BEARS: Correct.

ADELE FERGUSON, REPORTER: And the department of education turned on you.

DINH TRANG, OWNER, 3 BEARS: Yep.

ADELE FERGUSON, REPORTER: And the tribunal.

DINH TRANG, OWNER, 3 BEARS: Correct.

ADELE FERGUSON, REPORTER: Despite his track record, Trang is pushing to reopen.

DINH TRANG, OWNER, 3 BEARS: The teacher all want to come back and they, uh, they like, they love to three bear. And we are one of the top operator, top performers in the, in the area.

ADELE FERGUSON, REPORTER: The NSW Department of Education told us the regulator visited over 8,500 services last year resulting in more than 19,000 breaches... It says children's health and wellbeing is its top priority and it does not hesitate to prohibit individuals from the sector for serious matters.

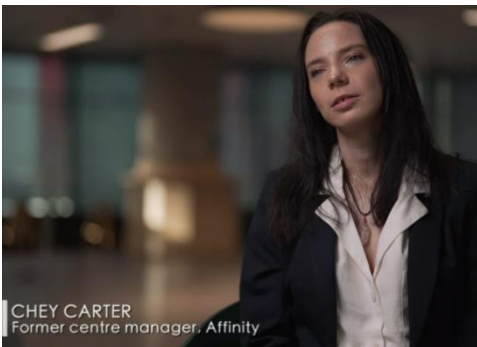
GFX: There are 8 private colleges currently being investigated for potential fake childcare qualifications and fraud.

ADELE FERGUSON, REPORTER: For the past six months we've been investigating how the industry got to this point. Using the largest source of archive material in the country – we've gone back to when the industry took off in the 1980s. Major problems were evident back then... wage underpayment and quality issues. Sadly, it's only gotten worse... And the industry is only as good as its workers.

PROF. GABRIELLE MEAGHER, EMERITUS PROFESSOR, MACQUARIE UNIVERSITY: I don't think people know what's going on. And I think there's some sort of motivated ignorance on behalf of the government. They are throwing money at it, no doubt about it. And I think it's a bit of a false economy. It's a, it's a kind of lazy policy. It's easy to let the private sector roll it out, and they haven't paid enough attention to the problems that that brings.

ADELE FERGUSON, REPORTER: The federal minister Anne Aly was unavailable for an interview but told us the government is working with all jurisdictions to ensure child safety. Childcare workers have long been undervalued and underpaid. With wages the biggest expense due to mandatory staff-to-child ratio requirements, some centres cut corners... In 2020 the billion-dollar listed childcare giant, G8, self-reported that 27,000 workers had been underpaid up to AU\$80 million. Five years on, it is still being investigated. **Childcare Consultant Chey Carter** hears stories from workers daily through her social media account.

ADELE FERGUSON, REPORTER: Is there much wage underpayment?



CHEY CARTER, FORMER CHILDCARE WORKER: Yeah, absolutely. It's a vicious cycle. There's a reason that we're all leaving.

ADELE FERGUSON, REPORTER: The Genius Childcare group is the latest offender with centres suddenly closing, leaving families and workers in limbo.

JENNY SHIH, MOTHER: When I found out the educators weren't getting paid, um, it really upset me because I don't know my money's going to, and it's clearly not going to the educators. It's not going to the super, which it should. It's not going to the food. It is not going to the nappies and the essentials. Where is the money?

ADELE FERGUSON, REPORTER: Since early 2023 Genius has routinely withheld wages, super and even rent, yet regulators kept allowing it to acquire and open new centres. It has 28 – with 17 advertised as opening soon. Hundreds of Genius workers around the country are owed an estimated AU\$7 million in unpaid super... Former Genius manager Nicole Skoda is one of them.

NICOLE SKODA, FORMER GENIUS EMPLOYEE: I believe Genius is probably one of the worst employers anyone could have. I had educators working week to week, um, and they needed to pay rent. And they couldn't because, uh, of the fact that their pay was late.

ADELE FERGUSON, REPORTER: Other bills weren't being paid.

NICOLE SKODA, FORMER GENIUS EMPLOYEE: The power bill went unpaid, um, months at a time until the final cut-off notice was being sent. We were cut off from suppliers, nappies, wipes, um, cleaning chemicals, laundry detergent, sanitizers but unfortunately when you're a company that doesn't pay your educators, you can't employ those really high-quality staff. It was just get anyone in the door.

ADELE FERGUSON, REPORTER: Jenny Shih enrolled her child in 2023. Standards at the centre in Reservoir, Melbourne deteriorated before her eyes. Despite charging Jenny AU\$140 a day – or AU\$700 a week per child – Genius fell short on quality. The cost cutting ran deep...

ADELE FERGUSON, REPORTER: You noticed there was a lot of staff turnover.

JENNY SHIH, MOTHER: Absolutely. It takes a long time for a child to connect with the educator. But because of the high turnover, you would see new faces all the time. I just realised I, I can't, I can't stay here. And yeah, it was very hard.

ADELE FERGUSON, REPORTER: Cleaning contractor Doug Sinclair has delayed his retirement because of Genius.

DOUG SINCLAIR: They got to over AU\$40k behind.

ADELE FERGUSON, REPORTER: You cleaned Reservoir. What happened?

DOUG SINCLAIR: We cleaned it originally and then we stopped it because lack of payment uh, we stopped a few centres and even the head office.

ADELE FERGUSON, REPORTER: Genius is owned by entrepreneur Darren Misquitta, who also owns 30% of listed childcare group Mayfield. Doug cleaned Misquitta's mansion in Toorak and his luxury holiday home.

DOUG SINCLAIR: It's huge. Two story, lots of bedrooms, lots of bathrooms. And my wife and I personally cleaned his holiday house down at Flinders. I know they just recently sold last year for AU\$14.3 million. So where's the money gone?

NICOLE SKODA, FORMER GENIUS EMPLOYEE: They get away with it because they can. Good educators have left the industry because of genius and the way that they have been treated.

ADELE FERGUSON, REPORTER: Childcare is bleeding staff, leaving a gaping hole in a system already 21,000 workers short.

PROF. GABRIELLE MEAGHER, EMERITUS PROFESSOR, MACQUARIE UNIVERSITY: The bottom line to that is that quality has to suffer if you don't invest in your staff.

ADELE FERGUSON, REPORTER: Burnout, low pay and exploitation are driving staff out of the industry. Another disturbing fact we've uncovered...the people looking after your kids might not even be properly trained or qualified.

VOICEMAIL: 'You have one new message – beep – Hi Adele, Ashley here I've given it some more thought and I'd love to speak to you...children deserve better, families deserve better...

Ashley Sy has worked at more than 25 childcare centres as a casual employee and wants to quit.

ASHLEY SY, CHILDCARE WORKER: I've sort of seen the ugly side of it. Um, people putting profits before children.

ADELE FERGUSON, REPORTER: With a four-year early childhood degree, she has seen quality decline as centres hire underqualified staff to cut costs



ASHLEY SY, CHILDCARE WORKER: I've worked with people who didn't know the basics. I've worked with somebody who didn't know how to properly put a nappy on. And now Australia has seen this sort of, um, understaffing and they've said yes to people from overseas coming to fill this and now it's sort of just like a house of cards.

ADELE FERGUSON, REPORTER: She's witnessed international students getting exploited... and says it's undermining childcare

ASHLEY SY, CHILDCARE WORKER: If the centre does something appalling and you're being sponsored by them, that power dynamic, you're not going to report it because then you'd be deported from the country. I reckon there is way more offenses that people have not reported than they have.

ADELE FERGUSON, REPORTER: Childcare workers are among the nation's lowest-paid professionals, even with the recent government wage subsidy – a 15% increase spread over two years.

CHEY CARTER, FORMER CHILDCARE WORKER: I did a little bit of digging actually. Um, car park people that work in car parks get paid more than us. Yeah.



LETIHA LOVEDAY, FORMER CHILDCARE CENTRE MANAGER: The pay is disgusting. We are glorified babysitters. We are not treated as professionals. We are not treated as people who know what they're doing. We are a means to make an end. Unfortunately.

ADELE FERGUSON, REPORTER: Some centres cut corners to fill staffing gaps and keep a lid on wage costs.

LETIHA LOVEDAY, FORMER CHILDCARE CENTRE MANAGER: We need to keep our doors open to be able to pull those profits in. So we are filling it with educators who are all working towards qualifications, educators who are, are unqualified.

ADELE FERGUSON, REPORTER: Some centres have employed staff with fake qualifications...

LETIHA LOVEDAY, FORMER CHILDCARE CENTRE MANAGER: I've also been aware of educators who have just paid a AU\$6,000 fee and have had to qualification handed over to them.

ADELE FERGUSON, REPORTER: So fake certificates?

LETIHA LOVEDAY, FORMER CHILDCARE CENTRE MANAGER: Essentially, yep.

MARK GLAZBROOK, CEO, MIGRATION SOLUTIONS: Sometimes students don't go to college at all, but they still get the outcome. They're now working in sectors like childcare, looking after Australians, children. That's alarming.

ADELE FERGUSON, REPORTER: Mark Glazbrook has been running an immigration agency for 27 years. He says childcare is an increasingly popular pathway for visa applications. Australia's AU\$7 billion private college sector is booming. Some colleges are churning out childcare workers in weeks or months through fast tracked courses. Some are coming from overseas. Glazbrook believes that one in three international applicants aren't genuine. So from a childcare industry point of view, what sort of impact are we talking?

MARK GLAZBROOK, CEO, MIGRATION SOLUTIONS: There may be people that are currently in Australia working in childcare who have a qualification, who are not up to industry standards.

ADELE FERGUSON, REPORTER: The Australian Skill Quality Authority – ASQA - recently revoked over 21,000 fake qualifications from four private colleges, including nearly 2,000 childcare certificates issued to domestic and international students. Did that surprise you?

MARK GLAZBROOK, CEO, MIGRATION SOLUTIONS: No, no. Um, unfortunately that doesn't surprise me at all.

ADELE FERGUSON, REPORTER: ASQA is investigating eight cases of potential childcare training fraud. It is part of a broader probe into 138 providers, 29 of which are registered to offer childcare courses.

GFX: Food budgets in childcare centres can be as low as 0.33 cents per meal

ADELE FERGUSON, REPORTER: Some centres take pride in food - others don't. We've found food budgets as low as 0.33 cents per meal, per child – barely enough for proper nutrition. Pasta with ketchup, white bread and jam -instant noodles. Nutritious food is vital for kids – 90% of brain development happens in the first five years of life...

CHEY CARTER, FORMER CHILDCARE WORKER: Some services don't view the food as part of their service. Their budgets to like 50 cents to a dollar per child per day.

LETIHA LOVEDAY, FORMER CHILDCARE CENTRE MANAGER: For four meals a day. So if you work that out, it's roughly about 42 cents per meal per child. I have also shown families kitchen menus knowing damn well we don't actually serve that.

ADELE FERGUSON, REPORTER: In stark contrast – at this community centre in Mount Gambier – which isn't focussed on profit, food is a priority – **with a budget of \$6.50 a day, per child...**

ABIGAIL BOYD, NSW GREENS MLC: This is reminding me very much of, you know, the stories we heard out of aged care when you get private operators coming in and cutting costs and serving up meals to people who can't complain. Sounds like exploitation. What can you even get for 33 cents?

GFX: One in ten childcare services have never had a quality rating from the national regulator.

KAITLYN PALTRIDGE, MOUNT GAMBIER CHILD CARE CENTRE: Very few people understand how the childcare industry really works. I mean, for one, it's the only educational institute that we call an industry. We don't call it the primary school industry or the high school industry.

ADELE FERGUSON, REPORTER: Kaitlyn Paltridge works at the **community centre run by a board of parents**. She fears the growing grip of private operators is compromising quality, as they focus on the bottom line.



KAITLYN PALTRIDGE, MOUNT GAMBIER CHILD CARE CENTRE: When you're talking about corporate childcare, they're only making decisions that are going to improve their bottom line. And it feels like no one's really taking the time to address the real issue here. And that issue is that the children don't have access to quality care anymore.

ADELE FERGUSON, REPORTER: High quality childcare isn't cheap. All centres are meant to have a rating... not all do.

ABIGAIL BOYD, NSW GREENS MLC: The rating system is a joke. There's also this really stupid term of working towards. That is a failure to meet the minimum standards expected under the national law. They're just allowed to continue year after year without ever meeting standards. It's about creating this viable industry. Um, and then we just chuck these ratings on the top and pretend that there's some sort of, you know, actual accountability or scrutiny going on.

PROF. GABRIELLE MEAGHER, EMERITUS PROFESSOR, MACQUARIE UNIVERSITY: So I looked at the data. One in 10 services doesn't have a rating.

ADELE FERGUSON, REPORTER: So are we talking a handful or dozens?

PROF. GABRIELLE MEAGHER, EMERITUS PROFESSOR, MACQUARIE UNIVERSITY: That's,

that's like one in 10 centres, like 10% of all centres don't have any quality rating. And most of those are for profit. These emerging chains that are growing rapidly, some of which have, are allowed to keep opening centres even though they might have some of their centres working towards the quality standards.

ADELE FERGUSON, REPORTER: Working towards means they don't meet quality rating standards. We've uncovered that up to 47,000 kids are registered in for profit long daycare centres that don't meet national quality standards.... compared to 8,500 in non-profit centres. **Only 14% of for profit centres exceed the national quality standards, while non-profits are more than double that rate.** Ashley Sy says she has worked at a centre that was rated exceeding the standards but behind closed doors some of its practices fell far short.

ASHLEY SY, CHILDCARE WORKER: If a child was naughty, they would be strapped into chairs into these high chairs with the straps going across their bodies and the tables in front as a means to restrain them. And it was just appalling to see.

ADELE FERGUSON, REPORTER: Ratings are about money and image ... Centres use it to attract families and justify the fees... and some use it in marketing to get a higher price when they sell it.

ASHLEY SY, CHILDCARE WORKER: There are materials that children can't use on a day-to-day basis that are kept in staff rooms that are only brought out for assessment and rating time.

ADELE FERGUSON, REPORTER: The boom is on to buy and sell. In this ad, a brothel and childcare centre are listed side by side, just two more investment opportunities.

REALESTATE AD: "The first is a tenanted brothel in Oakley and the second is a tenanted childcare centre in Sunbury".

CURRENT DAILY FEES OF	
\$180	[0-2 YEAR OLDS]
\$175	[2-3 YEAR OLDS]
\$175	[3-5 YEAR OLDS]
FURTHER UPSIDE POTENTIAL	

ADELE FERGUSON, REPORTER: Caring for kids is highly lucrative. Children aren't just enrolled—they come with a price tag, sometimes as high as AU\$300,000. Pushing some centres values into the millions. Some ads even say no experience necessary.

PROF. GABRIELLE MEAGHER, EMERITUS PROFESSOR, MACQUARIE UNIVERSITY: It's quite fascinating to see how many men are interested in setting up childcare companies that are basically staffed to 98% by women, the large majority of which don't earn much money.

GFX: Every day there are more than three assaults or cases of physical violence in childcare centres.

ADELE FERGUSON, REPORTER: Childcare is attracting the wrong type of people. If you want to understand what's wrong with early learning in Australia – Jumpstart says it all. This promotional video paints a warm welcoming image. Central to the branding by the owner's wife, Sally Fanous



SALLY FANOUS, JUMPSTART DIRECTOR: “At Jumpstart and Kids Kinder we operate with a philosophy that each child will learn in a different way and at a different pace.”

ADELE FERGUSON, REPORTER: This mother, who we will call Jane, sent her child to one of Jumpstart Education’s five centres in NSW.

‘JANE’, ANONYMOUS MOTHER: So my son he was developmentally the age of maybe an 18 month old and he was nonverbal.

ADELE FERGUSON, REPORTER: We can't identify you because of a court order. How do you feel about that?

‘JANE’, ANONYMOUS MOTHER: I want my face seen. I want people to see my face and understand that this is the face of someone who, whose child has experienced something they shouldn't have experienced, whose trust has been completely broken.

ADELE FERGUSON, REPORTER: This is the first time Jane is talking about what happened.

‘JANE’, ANONYMOUS MOTHER: I don't want any parent to ever go through what I went through or what I, we are going through.

ADELE FERGUSON, REPORTER: Like many childcare centres, Jane was frequently sent photos of her son eating, playing and learning.

‘JANE’, ANONYMOUS MOTHER: It was all fake.

ADELE FERGUSON, REPORTER: How would you describe it?

‘JANE’, ANONYMOUS MOTHER: It's the house of horrors and the people in it are the devil, as far as I'm concerned. They did not protect my son. They picked a vulnerable child who could not talk, who could not communicate, who could not share how scared he would've been or how upsetting it was. And they, they broke a trust that I will never get back. And that has impacted our family beyond words.

ADELE FERGUSON, REPORTER: What was happening?

‘JANE’, ANONYMOUS MOTHER: Various things.

ADELE FERGUSON, REPORTER: Amara Jaroudi looked after Jane’s son. Seven children including Jane’s son were subjected to rough and brutal conduct between April and October 2021, according to court documents. Other kids were left exposed to hazards. You've got children who are strapped into, into high chairs for three to six hours a day.

‘JANE’, ANONYMOUS MOTHER: Yeah.

ADELE FERGUSON, REPORTER: Five days a week for months upon months.

‘JANE’, ANONYMOUS MOTHER: There's no way they didn't know about it. The children were being forced into high chairs beyond mealtime for hours and hours of time. In my son's case, um, he was strapped down, with a rope into the high chair cause he was too strong and could get out.

ADELE FERGUSON, REPORTER: At times, for educator Amara Jaroudi's amusement, he was splashed with water while strapped in a high chair.

'JANE', ANONYMOUS MOTHER: The other children were also being harmed. She was pinching children, um, holding their arms behind their back, um, in a, in a restrictive pose.

ADELE FERGUSON, REPORTER: A two-year-old girl was picked up by the arm and leg and "slammed" onto a bench, Jaroudi's hand stifling her screams.

'JANE', ANONYMOUS MOTHER: And force fed till they vomit. Which I, I can't comprehend as an adult doing that to someone.

ADELE FERGUSON, REPORTER: After being force-fed Jaroudi and another educator put a 3 year old autistic boy's head into a garbage bin when he vomited.

'JANE', ANONYMOUS MOTHER: You can't hide that in a daycare centre with other staff. I can't comprehend it. And no one said anything. And no one else did anything. They hid it so well and they, they just, they duped all of us and they broke all of our trust. My son has permanent marks on his buttocks that I could never work out where he got them from. And the doctor can't either. And that's because he was sitting there for hours and hours and hours and hours.

ADELE FERGUSON, REPORTER: Jumpstart was plagued by widespread failures.

'JANE', ANONYMOUS MOTHER: Staff members in there were under the age of being able to properly work or that they were, um, not fully trained correctly. You know, where's your working with children? Check, where's your first aid? Where's your, um, CPR (cardiopulmonary resuscitation)? If something had happened to one of those child and they choked and you've got someone there who has no idea how to do CPR and none of the staff do, what are you gonna do? You gonna, that child's gonna potentially die? They should, there should be more.

ADELE FERGUSON, REPORTER: Until the five centres closed in 2022 they helped fund the lifestyle of owner Thomas Fanous and his wife Sally. Amara Jaroudi and the company pleaded guilty to multiple charges. Last July the company was fined more than AU\$186,000 including AU\$8,280 for force feeding a child. Jaroudi was convicted of seven offences and fined under AU\$40,000.

'JANE', ANONYMOUS MOTHER: Which in itself is a joke. Children being abused and having trauma for the rest of their lives. That's what it's worth. As a parent, if I was to do that to my son and had it reported I would lose my son, I would be considered an unfit parent.

ADELE FERGUSON, REPORTER: Thomas Fanous operated childcare centres for almost a decade and during that time none of the centres ever met minimum quality ratings.

ABIGAIL BOYD, NSW GREENS MLC: You've got a service that the regulator knew wasn't meeting standards and had never met standards. You then get these children suffering this intense abuse. And any wonder, the regulator doesn't want us to know about this stuff.

ADELE FERGUSON, REPORTER: Corporate documents show that Thomas and Sally Fanous left childcare and moved into NDIS.

'JANE', ANONYMOUS MOTHER: I was so upset. Um, my son is an NDIS, um, recipient.

ADELE FERGUSON, REPORTER: I tracked down Thomas Fanous at his new business.

ADELE FERGUSON, REPORTER: It's Adele Ferguson from Four Corners, I've been looking into Jumpstart.

THOMAS FANOUS, JUMPSTART OWNER: Right.

ADELE FERGUSON, REPORTER: And I've got some questions for you...

THOMAS FANOUS, JUMPSTART OWNER: Beg your pardon?

ADELE FERGUSON, REPORTER: Jumpstart.

THOMAS FANOUS, JUMPSTART OWNER: You need to leave

ADELE FERGUSON, REPORTER: Jumpstart Childcare...

THOMAS FANOUS, JUMPSTART OWNER: You need to leave.

ADELE FERGUSON, REPORTER: We've got some questions...

'JANE', ANONYMOUS MOTHER: You destroyed something in my child that I will never get back. He will never get back. You destroyed something in all those children.

ADELE FERGUSON, REPORTER: As the childcare crisis deepens its structural failures can no longer be ignored. There are good centres and good educators – but finding good quality care is getting harder.

KAITLYN PALTRIDGE, MOUNT GAMBIER CHILD CARE CENTRE: We're fighting a constant uphill battle. It feels like nothing, is ever going to change the way that things are going.

PROF. GABRIELLE MEAGHER, EMERITUS PROFESSOR, MACQUARIE UNIVERSITY: The thing that really disturbs me is that there's, there is a mountain of evidence that large for-profit providers deliver on average lower quality services. The Prime Minister has stood up and talked about the problem of, you know, profiteering in aged care and Lamborghini driving aged care providers and so on, without seeming to realize that there are similar issues in childcare as well.

ADELE FERGUSON, REPORTER: More money won't fix this mess...

ASHLEY SY, CHILDCARE WORKER: There needs to be a change. The children deserve a better education and the families deserve it too and the teachers deserve better working conditions.

ADELE FERGUSON, REPORTER: How urgent is change needed?

CHEY CARTER, FORMER CHILDCARE WORKER: Oh, yes. There needs to be done yesterday. Yeah.

ABIGAIL BOYD, NSW GREENS MLC: I think we absolutely have to have, um, some form of, of Royal Commission, um, public inquiries where people can come and tell their stories. I want to know what's happening in these places because I don't think I'm alone in assuming that my kids would be looked after when I dropped them off at childcare.



This week on Four Corners, a one-hour special reveals the deep failures and systemic issues plaguing Australia's childcare sector.

With nearly one-and-a-half million children enrolled in childcare across the country, parents trust that their children will be safe and cared for.

And while the glossy brochures and marketing paint a rosy picture, the reality of the system is far darker, and families are paying the price.

Reporter Adele Ferguson uncovers shocking cases of child abuse, neglect, and injury, highlighting critical gaps in childcare safety and accountability.

As the \$20 billion industry grows, the focus on financial gain over child welfare has sparked a nationwide call for action.

Advocates warn that without immediate reform, the childcare industry will continue to put profit over children's safety.

Betrayal of Trust, reported by Adele Ferguson and produced by Chris Gillett, goes to air on Monday 17 March at 8.00pm on ABC TV and ABC iview. See more at abc.net.au/news and on ABC News social media platforms.



Affinity Education Group

13 March 2025

Statement from Affinity Education Group

Affinity Education is one of Australia's largest providers of high-quality, child centred early education and care, operating more than 250 centres nationwide. With a team of over 6,000 dedicated staff, we provide early childhood education and care to more than 22,000 children across the country. Committed to accessibility and inclusion, we strive to ensure that all children, regardless of location, have access to early learning opportunities, with many of our centres serving rural and regional communities.

We have worked hard to improve our centre performance, which is independently assessed under the National Quality Standards (NQS), and today more than 90 per cent of Affinity centres are rated at Meeting or Exceeding NQS, compared to lower than 60 per cent prior to 2019.

We reinvest in the development of our educators, including through our Affinity Learning Academy, which is a key sector differentiator and a widely-recognised development pathway that has helped more than 2,200 educators attain nationally recognised qualifications since 2017. We appreciate the importance of our staff and are continually striving for ways to make Affinity a leading choice for early education workers.

Affinity has invested significant time, resources and over AU\$70 million of capital in improvements in compliance, safety, care, systems and processes across our network over the past three years. Staff retention is the single biggest predictor of consistency of compliance and safety as well as quality of care.

Access to qualified, high-quality educators is an issue that the sector is grappling with, and we are no exception.

Initiatives such as the Affinity Learning Academy enable us to attract and retain high quality staff to deliver the best outcomes for children. We acknowledge that there is always more work to do, and we will continue to invest time, resources and capital in our centres to the benefit of children, our educators and the community.

We take any breach of the law and regulations that govern the sector extremely seriously. In the event of an incident, we are required to take immediate action, including but not limited to:

- Centres must log the incident into our internal reporting system within 12 hours
- Mandatory reporting to relevant authorities within 24 hours
- Making direct contact proactively and in a timely manner with the child's family
- Staff involved stood down and/or terminated in serious cases
- A full internal investigation conducted with relevant authorities

We ensure families directly impacted by any incidents are kept informed and supported within the bounds of our legal and privacy limitations.

We also have strong engagement with the relevant state regulators, with our CEO and Chief Compliance & Quality Officer meeting regularly with the relevant Departments.

Our highest priorities are ensuring safety, delivering best-practice care and nurturing the children we care for.

We are committed to upholding the highest standards in all aspects of our operations.

The harmful legacy of poor nutrition

<https://www.bbc.com/reel/video/p0f5qzdg/the-harmful-legacy-of-poor-nutrition>

Video Written and presented by Kimberley Wilson Animation by Daire Collins 28 February 2023

When we talk about nutrition, we're usually interested in what food can do for us in the next few weeks, months or years. But what someone eats today could influence the health of not only their children but their grandchildren.

Kimberley Wilson, a psychologist with a master's degree in nutrition, looks back at the Dutch Hunger Winter of 1944-45 and how it has revealed a fascinating insight into the surprising generational impact of poor nutrition.



WHAT SOMEONE EATS TODAY

NOT ONLY OF THEIR CHILDREN

COULD INFLUENCE THE HEALTH

BUT THEIR GRANDCHILDREN

DUTCH HUNGER WINTER

Generational Transference!

Chaldi Community Child Care Centre

Not for profit

Board of Parents

Parents and Carers extended visits

Appropriate staff wages and support

Ongoing staff training

Nutritious food for all

Holistic whole of life agenda!

