

Dear Committee,

I DO NOT support the passage of the Early Years Quality Fund Special Account Bill 2013.

Below is a letter I have sent to various papers in regard to the proposed bill

Child Care Wage Rise for Some

With regard to the Federal Governments recently proposed \$3 per hour wage rise for all Certificate III & Diploma trained Child Care workers. The Government has set up a \$300 million from which eligible Long day Care Centres can apply for funding to assist with the cost of the wage increase. This has not yet been passed through parliament.

The catch is that to get the assistance money, employers must put all the workers at their centre under a registered enterprise agreement & these centres agree not to increase fees in the future, unless related to ongoing increased running costs. As well each centre must prove they are meeting the new "National Quality Framework" and show parents more transparency with there fees. Also of interest is that the \$300 million fund expires after 2 years.

Is the general public aware that this wage rise is only for **SOME** workers in "Approved Long day Care" & that **ALL WORKERS** in State Government run "Registered Pre Schools" are not even included in the proposed wage increase? I am informed by peak bodies "Child Care NSW" & "Community Child Care" that the \$300 million will only be enough to assist 30% of all Approved long Day Care Centres. Staff working at Centres that do not get a bite of the \$300 Million fund will not get the wage rise.

As a Centre Owner/Manager for the past 18 years, I am bewildered at what they are trying to achieve. If I were to apply this \$3 per hour increase (a rise of approx 12%) at my small 20 place Centre, the estimated cost (after super & W/Comp) would be \$22,000 per annum. If I had to fund this without assistance it would mean a minimum \$7 per day fee rise. At Larger centres the cost (& fee increases) would be far greater. For those 30% of Centres that do get the funding, what happens at the end of the 2 years when the money runs out? Large Fee increases will follow to cover the initial wage rise.

As for meeting the National Standards & Fee transparency, these points are already being met by all centres as part of existing laws.

And what of the remaining 70% of Long day care Centres that missed out on or never applied to access the \$300 Million fund? The staff at those centres like the Pre Schools will also be ineligible for the \$3 per hour rise.

I am the first to agree that Child care workers should get paid more but the way this Government is going about this is (again) poorly thought out & discriminates against a lot of workers in the industry. Why not just give a \$1 per hour pay rise (3.5% to

4%) to all Child Care Workers & spread the \$300 million (if it really exists) evenly to all centres as a one off payment to assist with the initial increase. Either way fees would go up in line with increases in costs as it normally would with any business. Also increasing would be the number of new Union memberships as a result of any "Enterprise Agreement"

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