



4 June, 2013

Dear Mr. Wilkie

EARLY YEARS QUALITY FUND SPECIAL ACCOUNT BILL 2013

Kool Kids ELC is a group of 8 child care centres situated on the Gold Coast. Our aim is to provide the highest level of services and care to children and their families in our region. In order to do this we look to recruit only the most dedicated, pro-active and skilled educators.

Since the announcement of the Early Years Quality Special Fund the majority of our educators have voiced concern to me, as the owner, as to where they, and their co-workers, stand in benefiting from the \$300 million. In attempting to keep our staff informed we have only been able to advise them that their skills, their qualifications, their loyalty and hard work within the industry account for nothing in the proposed application process. We have bachelor qualified staff who have worked within the industry raising themselves from assistant to director or kindergarten teacher, or alternatively staff who have gained Cert III, Diploma and Advanced Diploma qualifications through effort and dedication to their profession. The reality, as far as this funding is concerned, is that this is not considered an accurate measurement of whether they deserve a pay increase.

In fact, the measure of whether the educators, those persons who work hard at providing safe and educational environments for our children, who are working tirelessly to implement the National Quality Framework, will receive a pay increase based on irrelevant criteria. Such measures as whether the company they work for has presence on and "*meets specific reporting requirements*" for the mychild.gov.au website and whether the company they work for "*explains to parents the level of financial assistance provided by the Australian Government through Child Care Benefit and Child Care Rebate*". Imagine if a pay increase was announced for public servants, teachers or nurses which only paid a maximum of 1 in 3 workers a higher rate.

As the owner of more than one service, should we lodge our application with urgency and receive some funding, we are still unable to assure all of our centre staff of the pay increase. We may have to say "sorry" to some and pay others because out of pot-luck their centre did/did not receive funding. An educator working their first day, only just beginning a career in child care may get paid an increase through their service whilst another educator who has worked hard to qualify and work their way up to Group Leader or Director will miss out as their service was unsuccessful for unknown reasons. How is this reasonable or legal?

In 2010 a "Modern Award" was brought in to effect in order to consolidate pay rates of the states and territories within the industry. Its aim was to standardise all pay rates and, over time, all ratios within the child care industry. The government is now demanding this national system be abolished or over-ridden, effective immediately, to increase the pay scale on the basis of "first-in-first-served", 30% of the educators within the industry. Not all, but a select few. A select few who don't have to apply as individuals, based on their work and qualifications, but a select few whose employers have web presence or a few posters up around their centre talking about CCB and CCR for families.

Based on the "defined set of eligibility criteria" and the non-qualitative selection process which has been announced I believe the process to be **discriminatory, inequitable and unfair**. We have had unions approach staff at our centres since the funding announcement stating they can assure the staff, if they join the United Voice, that they are guaranteed funding. The eligibility criteria

specifically states funding is not conditional upon union membership, our staff are therefore being bullied and illegally misguided by union officials. The representation of the United Voice on a government, hand chosen board does nothing to dispel the belief held by the entire industry that the selection process will be not equitable or fair.

The wording of the EYQF Accounts Bill fails to point out the magnitude of the discrepancy between those that will be approved and those that won't. It does not review the effect on the industry as a whole. The centres that miss out on funding will have to meet funding arrangements for staff in those centres which do receive the grant in order to keep staff. This cost can only be recouped by increased fees to parents. This contravenes Article 18(3) of the CRC that all parents will benefit from the funds, where in fact only an estimated 30% will benefit and 70% will be severely disadvantaged, and in truth, will end up paying higher fees. A business is unable to sustain higher costs and keep their own funding arrangements in place. Increased costs and hence lower bottom lines will initiate bank calls on loans, halt centre upgrades and cease new centre openings. All of these outcomes are not in the positive interests of the government, or our children and families.

"The Fund will provide \$300 million over two years to all long day care services, which are approved for Child Care Benefit" - This sentence is simply not true, it's an absolute lie perpetrated by the government. **All** centres, staff and families will not receive a benefit, only an estimated 30% will. Will the government publish all results on who was provided with funding and why others were denied? In good faith, on the basis that it is taxpayer funds, this should be mandatory.

The government is rewarding some educators not on the quality of their provision of care but simply because all of the boxes were ticked including the Enterprise Agreement. Educators with higher qualification and skills will be discriminated against.

Where is the evidence that determines that paying an additional \$3 - \$6 per hour ensures that educators will provide superior education and care? Educators who will not receive any funding may in many instances provide a higher level of education and care. How does an unfair, and discriminatory funding arrangement of \$3+ per educator for 30% of the industry create a more robust and appealing profession as compared to \$1 for everyone??

A Pay Equity Unit within the Fair Work Commission..... The intent of the government is to create the inequity in wages with taxpayer funds, then have the Pay Equity Unit examine the Child care sector as its first task. We find this absolutely immoral.

Families will be the clear losers.

The Early Years are so important in a child's development and I request that this Bill be rejected until the federal government agrees to distribute the Early Years Quality Fund Grant monies equally amongst **all educators** who care for, educate and support our nation's children - not just a select minority.

Regards

Bruce Coulson