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# United Voice Submission to Standing Committee on Education and Employment Inquiry into Early Years Quality Fund Special Account legislation

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This submission has been prepared by United Voice National Office on behalf of United Voice members and branches across Australia.

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On behalf of the tens of thousands of early childhood educators represented by United Voice, we welcome the chance to contribute to the deliberations of the Committee and its examination of the decision to introduce the EYQF.

The reasons for the reference to the Committee appear to be as follows:

- The apparent inequity in the funding of a pay rise for one third of the sector.
- The danger of creating a two tiered system of childcare in the country.
- The failure to appoint a representative of the ACA to the Board which will provide advice to the Minister on the operation of the Fund.

### **United Voice and the Big Steps campaign**

United Voice is the union that represents workers in the early childhood education and care sector from cooks to educators to teachers and directors. In one state we share coverage of teachers with the IEU and in another with the AEU. Centres that are operated by Local Government authorities may be represented by the ASU. However, overwhelming United Voice is the early childhood education and care (ECEC) union.

Since 2008, United Voice has run the Big Steps campaign. Initially -- at the insistence of our members -- the campaign revolved around giving a voice to educators in the promotion of quality. These efforts culminated in the introduction of the National Quality Framework for Early Childhood Education and Care (the NQF). It quickly became evident, however, that the NQF cannot work without a stable supply of quality educators. So from 2011 educators in the sector turned their attention to the crisis that affects the entire sector -- the ridiculously low level of wages paid to early childhood educators and the resultant turnover of staff.

In the course of the campaign United Voice members have attended summits in every state and many regional cities, lobbied all sides of Parliament, rallied in the streets, mobilised parents, taken up petitions in shopping centres, run television and radio ads, created the Big Steps Facebook site and conducted a gigantic photo petition. In short, United Voice members have done everything conceivably possible to draw attention to the disgraceful level of wages paid to early childhood educators.

This campaign resonated with educators and thousands joined the cause. Our union is proud to have tripled its membership in this period but more importantly to have helped create a group of proud, self-confident women who are the leaders of the campaign and of their profession. Anyone who comes in contact with a Big Steps convenor can't help but be impressed by their passion, their determination and their eloquence in defence of their sector.



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Our allies are everywhere – in the Parliament, in academia, in the media and amongst employers. The entire sector is agreed that the current wages of early childhood educators are woefully inadequate and Big Steps are required to address this crisis.

### **A Pathway to Professional Wages: The Early Years Quality Fund**

In referring this legislation to the Committee, the following concerns were raised:

- The apparent inequity in the funding of a pay rise for one third of the sector.
- The danger of creating a two tiered system of childcare in the country

The Big Steps campaign is about professional wages for every educator in the country. It still has that aim and we will not rest until every educator receives at least \$26 per hour or higher, depending on their classification.

In trying to resolve the turnover crisis in ECEC, the Labor Government faced the following problem. It had two overwhelming policy priorities – disability care and a new system of funding schools. No one could argue against either priority. These are problems for the whole of Australia and they needed to be fixed. The Government also had a much lower than predicted funding base. United Voice members have always acknowledged the difficult fiscal position of the Federal Government, and were keen to develop a sustainable and lasting policy solution for the entire sector.

The solution developed by the Federal Government was the establishment of a \$300 million Quality Fund dedicated to address poor educator wages and a commitment to establish an Equal Pay Unit within the Fair Work Commission to play a role in shaping a lasting resolution.

Members wanted the Fund to be larger than \$300 million. They acknowledge that this is not adequate to fund professional wages for the entire workforce. However, they also acknowledge that this is the most that Labor could offer in this budget – and no party in the Parliament has promised to give educators more should they be elected.

United Voice ECEC members are enthusiastic supporters of this first step.

What the Federal Government has done has finally admitted – for the very first time – that Government is responsible for the payment of professional wages in this sector. Without that commitment, wages for ECEC educators would be a problem incapable of fixing. At the present rate of progress using enterprise bargaining, it would be 2050 before educators would be paid what they are worth. If employers were expected to pay our full claim for professional wages tomorrow, it would require parents to pay nearly double what they pay now in childcare fees. That is simply anathema to our members. If Government is truly invested in the quality of education of young children then they will have to be equally invested in paying quality educators to do that work. The EYQF sets that principle in stone.



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Why then do we support the Fund if the wage increase will not be available for every childcare centre in Australia?

Our campaign was about professional wages – not just a pay increase. Some maintain that it should have been a dollar for every educator in Long Day Care. Others advocate for the fund to be spread even more widely to Family Day Care educators or Out of School Hours educators – in which case the pay increase would have been even smaller.

A dollar an hour is the equivalent of a generous cost of living increase. It sets no new standard, no new benchmark. Arguably most centre owners would already have budgeted for and increased parent fees to cover a cost of living increase. If so – particularly if the increase was not associated with an enterprise agreement – the additional money would simply become a subsidy to the employer.

With educators in 40% of centres being paid the first step towards a professional wage we will be able to see the difference that makes to staff retention and quality outcomes, the need for increases to be spread to the rest of the sector and the size of the budgetary allocation necessary for a future government to bring that about.

The proposal to pay \$1 per hour to everyone misunderstands the purpose of the fund. It is not the role of a government fund to simply replicate what centres already do to incrementally lift educators' wages on a year-to-year basis; its fundamental role is to kick start a serious move toward professional wages in the sector, long term, and urgently stem the flow of educators out of the sector, short term. It is not a government funded temporary pay rise. If the proposal for \$1 per hour for all is pursued, it will condemn educators once more to incremental progress; grindingly slow change for a sector so increasingly indispensable to modern families' working arrangements and so critical to children's education in their early years.

As United Voice members have always argued, Family Day Care educators also deserve a professional wage. As do Out of School Hours educators. The 60% in Long Day Care who don't benefit from this first taste of professional wages will have to remain on their current low wages. Thousands of United Voice ECEC members won't benefit from these increases. It is a bitter pill to swallow. If this is the first step in a campaign to get professional wages across the sector as a whole then we simply must move at least one portion of the sector to a new and higher level.

We will continue to campaign strongly to ensure that all educators in ECEC receive professional wages. This campaign will continue to be a high priority for United Voice. Soon we will lodge our Equal Pay Application with the Fair Work Commission and that will form one arm of our campaign to get the whole of the Long Day Care sector paid professional wages. As part of the EYQF reforms, the Government has made provision for the creation of a research unit within the Fair Work Commission which will provide independent research that we hope will support our application. We renew our commitment made to our allies -- employers and parents -- that



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United Voice has no interest in increasing costs for centres and fees for parents. Society as a whole – through the federal Government – must provide the funding to ensure that any new wage rates decided by that case are delivered to educators.

We will be calling on all those now agitating against the introduction of the EYQF to support the only campaign that will deliver a professional wage to the whole sector.

### **The composition of the EYQF Board**

Another issue raised in the referral to the Committee was the failure to appoint a representative of the ACA to the Board which will provide advice to the Minister on the operation of the Fund.

Whilst we were not involved in decisions regarding the composition of the Advisory Board, United Voice supports the decision not to include ACA on the Advisory Board. The ACA has been a determined opponent of our campaign for professional wages from its inception. We have met with them as we have met with most employers. We have offered to make them part of our campaign, to strategise with them, to be guided by their insights into the industry. They have rejected every attempt to work cooperatively.

Other employers and organisations have worked with educators, directors and unions to campaign for quality early childhood education and care. There has been a positive level of cooperation across the ECEC sector on many of the important issues of access, affordability and quality.

At every step of the way, in every communication with their members and the public, they have opposed many Federal Government initiatives to address issues in ECEC. They have by their own actions placed themselves outside the group of organisations within the sector working together on these shared challenges.

They now turn around and seek to influence how this Fund is to be administered. They have from the very beginning made clear their total opposition to this policy and it is not unreasonable in those circumstances for Government to exclude them from the group of people resolving the micro-detail of the Fund's administration.

### **Conclusion**

We urge the Parliament to do everything it can to advance the passage of this reform measure. United Voice members – both those who will receive the funding and those who won't - are passionate supporters of the reform. This is the first chance these dedicated workers have ever had to get a taste of fair and just wages. Nothing should be done that would take that chance away.