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To the Members: **Standing Committee on Education and Employment**

RE: Early Years Quality Fund Special Account Bill 2013

We write expressing our grave concerns of the proposed Bill regarding the Federal Government's Early Years Quality Fund Special Account Bill 2013.

This Bill is founded on floored principal and policy and underfunded to achieve any real reform for workers in this industry. Total Childcare Solutions represents approximately 40 Child Care Centres across Australia and provides professional services to Industry. Whilst we advocate for the rights and salary increases for staff across the sector, this Bill is going to create a divide in the sector: Those that access the fund (for what limited time funds will be available) and those who have no access to the fund at all.

This "First in First Served" race to access the fund will discriminate against services that are unable to negotiate sincere and workable Enterprise Bargain Agreements in their workplace. Adequate negotiation periods have not been allowed with the 30th June deadline. The $300 Million is not enough to fund the increase to the whole sector – so can The Committee explain what will happen to those services who miss out? It is our strong belief that we will lose key members of staff in favour of up to a $190.00 per week salary increase and we will be unable to replace them.

The investment made by services and industry to date in the implementation of the Early Learning Framework, the National Quality Standards, Employing Qualified degree trained teachers and Educational Leaders and increasing Educator to Child Ratios have seen significant increases in wage costs across the sector already. With an additional 2.6% increase to the minimum wage, and the superannuation guarantee levy increase from the 1st of July, wage costs continue to rise.

We represent a cross section of services in the Industry, and we understand the challenges of finding and retaining Quality Educators. We believe that staff would leave unfunded services to seek employment in those services that could offer the increased salaries leaving 60% of the sector grappling to retain and attract staff. The Committee must see that this is discriminating and disadvantaging services that are not part of the Fund and creating a great divide in the sector and wage discrepancy.

We urge to reconsider this flawed proposition and seek alternative policy that will deliver better wage conditions to staff without disadvantaging the majority and supporting a minority. Surely our Industry deserves better policy and attention than passing this Bill in its current form.

Yours sincerely,

John Wall
Company Director

Fiona O'Donnell
Company Director