

I am writing to express my concerns about the Early Years Quality Fund. We have been vocal previously voicing our concerns to ECA and CCCCNSW.

While we are always wanting to see higher wages for our teams, I think there is enormous concern about the roll out of this funding and the ramifications to our sector.

Where do I start?

Equity – there is nothing remotely equitable about this funding. How can any government body only recognize about 27-40% of a sector's workers. What message does this send to those valued team member who miss out? Clearly that they are not worthy.

Many centres are scrambling to start the process of getting an EBA in place in order to apply for this funding and reassure their team members that they are doing their best to put this in place for their teams, but even with this step in place, there is no guarantee that we will then be 'selected' as one of the lucky few. The Early Years Quality Fund Special Access Bill states - 'The Fund is to be used to increase the remuneration of eligible employees, including these employees' ongoing-costs, thereby promoting just and favourable conditions of work, including fair wages'. How can it be considered fair wages if it is only a select few?

Staff retention – if a service is not able to meet the conditions, or more likely does take the steps to meet the conditions, but misses out, how will they be expected to retain good staff who are aware they will be able to receive \$3-5 per hour working in a different centre. This will severely advantage some centres over others, with no thought to continuity of care for children and families. How will I explain to my families that I am losing team members to another centre who gets more govt funding than I do and therefore pays a higher rate of pay. Do I raise my fees in order to match the hourly rate, to retain staff, making childcare even more out of reach to struggling families?

On-costs – there has been finally been information received to indicate that the on costs will be able to covered with this funding. This was of great concern to us about how services were expected to manage the increased cost of superannuation, payroll tax, and workers comp (with super already on the rise in July). To say that there can be no increase to fees due to this increased labour cost, is naive and unrealistic, the reporting alone will be a huge administration burden. Many centres are struggling, and this cost will have to be passed on to families. Unfortunately they will have all heard in the media that centres can't pass on the cost, but there has been no discussion about covering these 'hidden' costs.

Short term – to introduce this package at this time of year, seems very much like vote buying. Without a long term commitment to this funding, it is met with much concern about what will happen if it is taken away in 2 years, or perhaps even if the government changes at election time. How do staff all of a sudden manage on \$3 less per hour but continue to be happy doing the same work, and remaining in the sector.

Processes – there has been no information yet about how services will be selected, the application process, how fee transparency will work etc, but in the media, staff are being told that they will have a pay rise on 1 July. We are still waiting on Certified Supervisor applications

sent to a govt department November 2011, I can't see how this will be rolled out and in place with 1months lead time.

Fairness of Selection – we have grave concern that the big bodies like Good Start and G8 will take up a great majority if not all of the 27- 40% of our sector. If they are treated as group applications – ie one Good Start service gets approved, all get approved, rather than seen as single entities, what will be left for the private sector, and small operators who need to take some time getting their EBA's written and agreed on.

Meeting regulatory requirements – NSW already is disadvantaged over other states by our requirements around ECT's, and as difficult as it is now, if you are a service not lucky enough to get the funding, DEC may as well be handing out waivers now for ECT's because there is no way a service will attract a new ECT, much less retain the scarce ones we are trying to hang onto already, if we can't access the funding. The Early Years Quality Fund Special Access Bill states - 'This is intended to provide an incentive for educators to further their careers by attaining higher qualifications', - actually, no it won't – the Certificate III staff will now be paid equivalent to the current diploma wage, so there would not be a reason to commence studying a qualification, in case the funding is taken away at the end of the two years. A more effective way to encourage higher education would be to financially support our Diploma staff to complete an Early Childhood Degree which would only qualify them to work in the Early Childhood sector, with no primary school eligibility, therefore keeping the qualified team members in our sector.

I can see no benefits to the Quality Fund to our sector, unless it is a commitment to all workers for the long term.

Regards,
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