



**SUBMISSION RESPONSE TO THE IPART REVIEW OF EARLY CHILDHOOD
EDUCATION AND CARE: INTERIM REPORT**

NOVEMBER 2023

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IPART Review of early childhood education and care

INTRODUCTION

The Independent Education Union of Australia NSW/ACT Branch welcomes the opportunity to respond to the findings and draft recommendations in the IPART interim report for the Review of early childhood education and care. The experience of our membership and our research are the basis for our agreement with the report's overarching draft findings regarding funding, workforce, digital data and accessibility.

The IEUA NSW/ ACT Branch represents over 32,000 education professionals (teachers and other education staff) in the non-government sector. Our union represents university qualified teachers employed in early education and care services, including preschools, long day care centres and early intervention services. The IEU has won improvements in pay and conditions for teachers in community-based centres through negotiated stand-alone agreements for members employed in individual services and larger organisations.

We note the priority recommendations of the IPART and have correspondingly provided responses informed by the priorities and expertise of our membership.

OVERARCHING DRAFT FINDING 1

The funding system for early childhood education and care services is complex, fragmented, potentially inefficient, and can lead to perverse outcomes.

Removing the current preschool funding cap of 600 hours per year would enable families from low-income households to access more hours of funded preschool for their children. Research demonstrates high quality early childhood education and care provides substantial positive outcomes, including developmental, health and social benefits, to these children throughout their lifespan. These are beneficial to our society as a whole and to individual families and children. Allowing families to access more than 600 hours per year (2 days per week) of preschool education would increase continuity of care and education for children, many of whom must attend multiple early learning services (most preschools are only able to offer 2 days per week due to funding arrangements whilst parents may require 5 days per week of early learning for their child).

OVERARCHING DRAFT FINDING 2

Workforce availability and expertise are critical to the supply and accessibility of quality early childhood education and care services, and constitute a significant problem currently facing the sector.

The Australia-wide crisis in early education leaving children and parents without early childhood education and care is driven by the sector's inability to attract and retain staff. Teachers are being forced out of their profession by low wages and poor working conditions, exacerbated by the significant discrepancy of up to \$33,000 between salaries paid to early childhood teachers (most experienced Proficient Teachers with more than 6 years' experience as per the Educational Services Teachers Award is \$86,876 in preschools and \$90,351 in long day care) compared with teachers employed by the Department of Education (\$120,322). Solving the crisis in early education requires comprehensive and ongoing consultation by employers and the NSW government with early childhood teachers through their union.

Whilst teachers and educators, employers, unions, and governments universally recognise the importance of high-quality early childhood education, many employers have not improved wages and conditions for early childhood workers, particularly the for-profit employers. It is only with the *Secure Jobs, Better Pay Act 2022* that the predominantly feminised early education sector workforce and its high migrant presence has had access to fair bargaining opportunities. A joint multi-employer bargaining application by the IEU, the United Workers Union, and the Australian Education Union, is working to extend the benefits of collective bargaining to early education essential workers previously frozen out of the system. However, the joint application does not include preschools (and will not adequately address pay inequity in this sector). The Supported Bargaining Agreement will solely cover long day care services, and even if 25% above-award rates of pay are achieved, there will still be a considerable gap when compared with the salaries of teachers in schools.

There is an urgent need to recognise the interdependence of high-quality early childhood education and care, staff: child ratios and attraction and retention of qualified specialist early childhood teachers, which is dependent on substantial future improvements in wages and conditions. The IEU calls on the IPART to recommend that the NSW Government gives serious consideration to legislative and regulatory measures in early education to improve wages and working conditions of early childhood care and education.

The NSW Government's key objectives and priorities in its early education policies and supporting measures must result in a reversal of the workforce crisis of attraction and retention. Ongoing consultation with early childhood teachers and educators through their unions is essential to improve wages and conditions and progress measures that recognise the value of the profession. High quality early education depends upon early childhood services having a stable workforce to provide continuity of care to children and ensuring that quality education and care is available to all families. Funding must reflect parents' capacity to pay across all socio-economic groups, whilst enabling the economic security, health and wellbeing of early education teachers.

Lifting early childhood teachers' wages, improving conditions and increasing the status of the profession is crucial to stopping the workforce crisis. The sector is experiencing turnover and staff shortages at record highs because of very low wages and poor conditions. 96% of workers in the sector are women. The impact of low wages has been worsened by the current cost of living crisis and many teachers are leaving the sector to secure higher paying work.

The IEU recommends that the NSW Government develops objectives and priorities to ensure early childhood teachers' equity with their colleagues employed in primary schools in all aspects. This should include subsidies to employers to ensure early childhood teachers receive comparable rates of pay and conditions with the school sector. This would include pay parity for early childhood teachers with their colleagues in primary schools in addition to 11 weeks of paid leave per year. This shift is vital to ensure quality, equity and accessibility in early education services.

The interim report's four cost findings demonstrate that labour is the main expense in the provision of early education. Wages must rise to solve the interdependent staffing, quality, equity, and accessibility crisis. Qualitative and quantitative data, including from our members, shows that if funding prevents salaries from increasing, teachers will continue leaving the sector in record numbers.

Providers that pay higher wages and provide superior working conditions report they have tight budgets and tell IEU they would like to be able to pay staff more and further improve conditions, but sector funding prevents them from doing so. Such providers are reluctant to increase fees because some parents cannot afford increases and increasing fees leads to some parents withdrawing their children.

Existing regulatory frameworks mandate the employment of qualified teachers and diploma and certificate III educators, in addition to mandating appropriate child: staff ratios according to the ages of the children enrolled in the service. It is appropriate to retain the higher NSW requirements as highly qualified staff and high staff: child ratios lead to the most positive outcomes for children and more viable working conditions for teachers and educators.

The IEU recommends that the regulatory framework provides recognition for services that offer above-award wages and conditions. For example, services that pay award rates and offer only those working conditions specified by the relevant awards and/ or those that experience high staff turnover or those with waivers or staff classified as “taken to be” qualified (enrolled in a qualification) should be rated Working Towards in Quality Area 4 Staffing Arrangements. Only services that offer significantly above-award salaries and conditions, have low staff turnover and employ fully qualified staff should be rated at or above Meeting the NQS in Quality Area 4.

The NSW Government should reimburse early childhood teachers and educators 25% of the cost of their qualification for each year remain in the industry up to four years. In addition, teachers and educators should be paid for practicum placements. We note that centres in remote areas can apply for practicum funding currently and advocate for this to be extended to all preschools.

OVERARCHING DRAFT FINDING 4

There is scope to improve access to services and support in services for families with children with diverse needs, disability, additional needs or experiencing disadvantage or vulnerability in NSW.

The IEU calls on the IPART to recommend substantial increases in preschool funding, particularly for centres that enrol children with additional and/ or complex needs (including challenging behaviour), First Nations children and families from lower socio-economic areas with less capacity to pay. Indexing to more closely reflect costs including increased salaries (some not-for-profit providers pay employees up to 30% above award rates to decrease the pay disparity with primary schools) would definitely assist preschool providers.

Currently, subsidies for the attendance of children with high learning support needs of \$24.27 per hour does not cover the cost of employing a casual certificate III educator (let alone a qualified teacher). As the funding varies from year to year with no guarantee of ongoing employment, preschools find it difficult to fill vacancies in these funded positions. The gap between government funding compared with the cost of the inclusion of children with high support needs means all parents at the service subsidise these children through higher fees.

Funding for children under the Disability and Inclusion Program does not cover the cost of backfilling qualified teachers for the non-contact time required to make funding applications, develop and review Individual Learning Plans, complete checklists and other documents for psychologists and therapists or to attend meetings with families and specialists.

Government needs to allocate significant funding to support not-for-profit providers already operating, and to establish new services, in under-serviced areas and in areas servicing vulnerable children.

Households in lower socio-economic areas are disproportionately impacted by even relatively small price changes, means out-of-pocket expenses will have to be minimised or eliminated for low-income groups.

CONCLUSION

The crisis in early education will only be solved when staff attraction and retention deficits are reversed, and pay disparity, unsustainable workloads, inadequate support for First Nations, disadvantaged and children with additional needs, are addressed. This requires consistent and comprehensive consultation by the NSW government and employers with teachers' and educators' unions.