

The childcare conundrum: who will pay? ^[1]

Author: Hermant, Norman

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EXCERPTS:

Everyone agrees that wages for childcare workers need to rise, but the question then is who gets slugged with the bill, writes Norman Hermant.

Think explaining politics in Russia is confusing? So did I, until I waded into the quagmire that is Australian childcare.

Just back from a posting for the ABC in Moscow, I was lucky enough to land a new job as the ABC's social affairs correspondent. Childcare is a big part of my brief. Oh boy.

It very quickly becomes obvious this is a huge issue. After all, more than 700,000 Australian families rely on childcare to be able to manage their daily lives. But before we go any further, let's be clear: "childcare" is not just childcare. Yes, there's "long" day care, the full-day variety. But there's also community pre-school day care, where children spend part of the day. And out-of-hours care. And vacation care. Many centres are private, but some are publicly run. Others are operated by not-for-profit organisations. And the complexities are just beginning.

There's really no dispute that wages across the childcare sector have lagged for years. The biggest union representing childcare workers, United Voice, quotes government statistics that show the average childcare worker makes about the same age as a supermarket cashier, or a cleaner.

Not only does this seem odd, as these workers - overwhelmingly women - spend their days guiding and teaching our "most cherished resource", as politicians are so fond of saying. But according to the bulk of early childhood education research, low pay for those working with small children is exactly the wrong way to create an environment where children thrive.

Basically, any parent will tell you kids - especially little kids - cherish routine. They like consistency. So what system has developed in the childcare sector in Australia? A wage structure so low it encourages workers to leave.

For years, childcare workers have been required to gain more and more qualifications (more on that later). But there's been little reward when it comes to increased pay. The result is a constant churn in childcare centre staff. Many quit - like Adelaide's Rachael Peters, who spent three years struggling to get ahead while working in childcare. Eventually, she left for a job in sales and merchandising. "It's very disheartening," she says. "I do think that the calibre of staff that they will have will drop dramatically. I think people will just continue to leave."

Virtually everyone in the childcare sector agrees something has to be done to raise wages. But this is where it gets really tricky. Earlier this year, the then-Labor government rolled out a temporary solution: the Early Years Quality Fund - \$300 million in new money, intended to boost pay over two years. But the EYQF, as it's known, had serious limitations. First, it was only going to last for two years. Second, it was only going to increase wages for about 30 per cent of workers.

But even worse for the new Coalition Government, to qualify for the EYQF, centres had to have an Enterprise Bargaining Agreement with their workers. The Assistant Minister responsible for Childcare, Sussan Ley, says the EYQF was nothing more than a back door plan to boost union membership. "This was about union recruitment," Ley told the ABC, "not about securing the wages of a vulnerable and, yes, not very well paid sector of the workforce today." Not surprisingly, considering that language, the government has announced plans to review the EYQF. Centres that had planned on the fund subsidising \$3 to \$6 an hour pay hikes have been told the money may now not be coming.

So, it's back to the drawing board. The Government says the best way to boost pay is via the Fair Work Commission. United Voice already has an application pending on behalf of nearly 70,000 childcare workers, and this week it was joined by another union representing qualified teachers in childcare centres. But it will take at least a year, possibly nearly two, for a decision on any wage increase.

All of this as the National Quality Framework, the wide-ranging plan to boost qualifications of childcare workers, comes into effect. The NQF will see all childcare workers have diploma-level qualifications - or higher - in early childhood education. The sector is requiring better training - but as of yet there's no extra pay for those who earn those qualifications.

The bottom line is this: childcare wages will eventually have to rise, and in the end parents are going to have to foot the bill. Many will have already noticed increases, after centres counting on extra money from Canberra awarded pay hikes to staff, only to find out the EYQF may be scrapped.

Now, many centres are following the lead of Emma Cullen, the director of Abbotsford Long Daycare Centre in Sydney. "Any increase in wages is a direct increase in fees to parents," she says. "Wages currently form about 80 per cent of our budget ... so any increase in wages is directly passed in to families."

In some centres, families are already paying \$1,400 a month per child for care. Ouch.

It's simple really. Between the EYQF, the NQF, long, pre, out-of-hours, and vacation care, certificates, educators, qualified teachers, and the Fair Work Commission - somebody is going to have to pay childcare workers more. And when families feel the pain, no one wants the blame.

-reprinted from the Drum

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