

# Childcare costs continue to rise as workers leave sector over poor pay: union <sup>[1]</sup>

**Author:** ABC Online

**Source:** ABC Online

**Format:** Article

**Publication Date:** 30 Nov 2014

## AVAILABILITY

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## EXCERPTS

Childcare workers are leaving the industry in droves because of low pay, despite fees continuing to increase, the union says.

United Voice, which represents childcare workers, said in the past 12 months childcare fees have increased by 5 per cent - more than double the 2.3 per cent rise in the consumer price index (CPI) over the same period.

The ACT had the highest fee increase in the nation with 9.7 per cent, followed by a 6.7 per cent increase in Tasmania.

United Voice national secretary David O'Byrne said the results showed the enormous pressure the sector was under.

He said figures from a union survey also showed there was a serious shortage of places for children.

"It is such a crucial moment in a child's life to ensure that they get access to high quality early learning environments, but it's also crucially important for women's participation in the workforce," he said.

"We know that the sector is chronically underfunded, we know that it is under enormous pressure.

"Families can't get access to the services that they want and need and that has to be resolved."

Workers' wages 'woefully inadequate'

Mr O'Byrne said while fees had soared, wages and qualifications for staff had not improved.

He said during the same 12-month period, wages for childcare workers rose by just 57 cents an hour from \$19.07 per hour in 2013 to \$19.64 per hour.

"One thing parents can be certain about is that the increased fees are not going into the pockets of early childhood educators," he said.

"They continue to struggle with woefully inadequate wages."

Mr O'Byrne said staff were leaving the sector in droves because of low pay.

"Every week 180 educators leave long day care because of the low pay."

"Without improved funding, the sector cannot prevent this exodus and their struggle to attract the best and brightest can only get worse.

"Those who believe paid parental leave will boost the economy know it is only 10 per cent of the solution. The other 90 per cent is in early childhood education and care."

'Only solution is improved funding by Government'

Mr O'Byrne said recent research showed that parents wanted improved wages for childcare workers.

"Educators are jammed in the middle, they see the financial difficulty parents face but know they are subsidising the sector through their low wages," he said.

"Educators are effectively the second biggest childcare subsidy providers.

"The only solution is improved funding by Government."

Mr O'Byrne said reforms to come from the yet to be released Productivity Commission report on childcare would be crucial.

"That is why the Productivity Commission recommendations which are now with Government are important to resolve these issues," he said.

"This is a crucial piece of public policy, significant investment and a simplification of investment will benefit not only the economy but also

families and their children."

**Region:** Australia and New Zealand <sup>[3]</sup>

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