

# **MEDIA RELEASE**

## **Federal Government commits to fund pay increase for early childhood educators**

12 May 2024

The Treasurer has confirmed that the Federal Budget will include a multi-billion dollar provision towards wage increases for early childhood educators.

The Community Child Care Association (CCC) and Community Early Learning Australia (CELA), the peak bodies who are negotiating this historic deal on behalf of small and community early education providers, have welcomed the Treasurer's announcement.

This announcement shows the Federal Government recognises the value of early educators and teachers to Australia's families and communities.

Today's announcement is critical progress towards delivering professional pay without increasing out-of-pocket costs for families, once the new multi-employer agreement is finalised.

The *Secure Jobs, Better Pay* laws made multi-employer bargaining possible, allowing many small and community providers to negotiate competitive wages and conditions for their staff for the first time.

The Federal Government's investment removes another barrier to women's economic equality and workforce participation by helping to grow quality early education services.

Once finalised, the new agreement will help to unlock access to early education for families by reducing critical staff shortages. Small and community services will open new places because they can attract and keep qualified staff by offering professional wages.

### **Quotes attributable to Community Child Care Association Executive Director Julie Price:**

"We backed multi-employer bargaining because we've seen similar agreements deliver sustainable improvements to wages and conditions in Victoria for over 15 years.

This process has brought together our whole sector to solve decades of pay inequity.

"We haven't wasted a second since these new laws passed. We are excited that educators and teachers will soon see the benefit, and more children will be able to access high-quality education and care.

### **Quotes attributable to Community Early Learning Australia CEO Michele Carnegie:**

"Today's funding commitment is a significant step towards creating a multi-employer agreement that properly values early educators and teachers.

We are pleased to see the Federal Government backing this process by boosting early education wages.

This will be a game changer for the long day care sector. We look forward to finalising the new multi-employer agreement so small and community providers can attract the qualified staff they need."

**ENDS**

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## **Interview opportunities**

- CCC's Executive Director Julie Price
- CELA's CEO Michele Carnegie
- Interviews with early education providers and educators are available on request.

## **Background**

- Multi-employer negotiations will now continue, including finalising agreement conditions.
- Once finalised, the new multi-employer agreement will cover early education employers who are part of the bargaining process.
  - This includes 64 long day care sector employers with 12,000 educators nationally.
  - It will provide a model that can be extended across the early childhood sector, including outside school hours care and state government funded preschools.
- CCC and CELA are representing small and community early education employers in negotiations with the Federal Government, unions and for-profit employers.

## *Federal Government Funding*

- Parties intend that funding for increased wages will go directly to educators and teachers.
- Once finalised, CCC and CELA will work with the Federal Government to roll out this agreement nationally so all families can benefit from affordable high quality early education and care, no matter where they live.

## *Existing Agreements*

- Existing multi-employer agreements in the Victorian early education and care sector have improved wages without increasing costs to families.
  - For example: CCC Professional Community Standard and the Victorian Early Childhood Teachers and Educators Agreement.

## *Workforce Shortages*

- Low wages and conditions have created unprecedented workforce shortages, with over 37,000 advertised vacancies for educators and teachers (June 2023).
  - This equates to 20 per cent of the early education workforce or an average of three to five early educators at every centre.
- Workforce shortages are forcing caps on enrolments, preventing thousands of children from accessing early education.
  - Parents can't return to work or take on more hours without access to early education and care when they need it.

## *Access to Collective Bargaining for Small & Community Services*

- Making changes to awards or negotiating individual enterprise agreements was not feasible for small and community providers, who make up 80 per cent of the sector.
- The *Secure Jobs, Better Pay* laws have allowed many providers to access collective bargaining for the first time.