

Thursday 8 August 2024

MEDIA RELEASE

ACA commends Albanese Government for committing to fully fund a pay rise for the ECEC workforce from December 2025

The Government's commitment to fully fund a pay rise represents a significant moment for the ECEC workforce in Australia. The ACA has been participating in the supported bargaining process with unions and other employer groups for more than 12 months and hopes that today's announcement will facilitate the smooth completion of this process in the months ahead.

The government has committed to funding a 15 per cent increase in wage in two parts, including a 10 per cent pay rise effective 1 December 2024 and a further 5 per cent twelve months later.

In order to qualify for the funded pay rise, services will be required to commit to a fee restraint mechanism, ensuring they cannot increase fees by more than 4.4 per cent in the first year.

Australian Childcare Alliance President Paul Mondo said the announcement recognised the long-term advocacy of the sector on wages.

"We have been working for a long time for this announcement and while there is a lot more for us to determine, this is a very positive step in the right direction," he said.

"This government's commitment to the ECEC workforce across Australia is wonderful, and this announcement recognises our long-term advocacy on the need for a wage increase as accurate. The only meaningful way to implement improved wages for our workforce is through government funding to ensure that families are not left out of pocket," he said.

"While we await further detail as to how the fee restraint mechanism will work in practice, ACA commits to working in good faith to understand the implications of this condition once further information is received."

"It will take some time to understand all of the details of the government's announcement, however we hope that a successful outcome will ensure access for more families and children across Australia," Mr Mondo said.

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About the Australian Childcare Alliance

The Australian Childcare Alliance (ACA) works on behalf of early learning (long day care) service owners and operators to ensure families have an opportunity to access affordable early childhood education and care (ECEC) throughout Australia. We represent over 3,000 early learning service providers across the country.

Our national and state bodies work collaboratively with all levels of government, regulatory authorities and other stakeholders with an evidence-based approach, to ensure that families are supported into the future with a sustainable, affordable and viable ECEC sector.

ACA believes that with the right policy and financial frameworks in place, we could ensure that every child in Australia has access to high quality, affordable and sustainable early learning (childcare) services, and therefore the **best start in life**.

Australian Childcare Alliance

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