

Early Childhood Ireland Low Pay Commission Submission



Who we are

We are the largest and most representative early childhood membership organisation in Ireland. A registered charity, we provide a broad range of training, mentoring, information and advocacy supports to better shape the systems, policies and practices that impact on the lives of young children. We are committed to improving outcomes for children through our work with members and early childhood educators, policy makers, parents and children.

What we know

Currently there are 4,600 Early Childhood services (including full daycare, sessional and out of school provision) in operation, 40% of which are community-based, with the remaining 60% located in the private sector. More than 25,000 people (99% female) are employed in the sector. In the early days the sector grew organically with little to no regulation. In recent years Government moved to legislate for and regulate the sector: introducing standards, requirements for upskilling and new IT systems. In 2010 the Early Childhood Care and Education (ECCE) scheme was introduced. These increasing demands on the sector have not been matched by increases in rates of pay. According to Early Childhood Ireland [Salary Survey from 2012](#) we know that average rates of pay in the sector are:

Non-Managerial Roles:		Managerial Roles:	
Staff without qualifications:	€10.10	Staff without qualifications:	€12.78
Staff with FETAC 5 & 6 staff:	€10.85	Staff with FETAC 5 & 6:	€13.89
Staff with Level 7 and above staff:	€11.24	Staff with Level 7 and above:	€15.30

While these are the average figures, we know that a large proportion of workers in the sector are currently receiving the National Minimum Wage.

Given the levels of pay on offer on our online Jobs Board over the last year it is reasonable to assume that despite the data from this survey being 3 years old it is likely to be relatively unchanged and other studies would endorse that. The survey points to the fact that:

- Despite an increase in the level of qualifications of early year’s practitioners in Ireland, the pay is low, when compared with the national average.
- The ECCE scheme is encouraging services to open for only 38 weeks a year with part time employees.
- Views on the wages of employees in the sector were unanimous – childcare and education is poorly paid and is a labour of love.
- The majority of employers would like to pay their staff more but are unable due to financial constraints, with a number of them stating that this is due to the ECCE schemes rates being too low.

Employees

Most employees working in our sector do not earn a living wage. A typical contract in the sector offers €10 an hour for a 15 hour week, working only 38 weeks year as dictated by ECCE payments. The way contracts are constructed, as influenced by the ECCE scheme, mitigates against a living wage for those working in the sector.

Twenty third level institutions are currently training graduates with heavy investment from Government yet there are few prospects for those graduates once they have qualified. Graduates cannot afford to stay in the sector and see no prospects for career progression. Our sector is being bled dry of highly qualified graduates and this loss of highly qualified staff leads to variable quality.

Similarities between Early Years Educators and Special Needs Assistants

In 2010 the Early Childhood Care and Education (ECCE) scheme was introduced. The scheme is provided in both community and private crèches and about 4,500 settings participate, about 95% of all services operating in Ireland. The scheme provides 3 hours a day for 38 weeks a year, at a capitation rate of €62.50 per child per week. This scheme was brought in without the kind of consultation that the Irish Medical Organisation were recently afforded over the introduction of free GP care for under 6's. Contract types in the sector are strongly influenced by the ECCE scheme, with often only part-time, seasonal contracts available.

The situation in the Early Childhood sector is not dissimilar to that of Special Needs Assistants (SNAs) who recently voted in favour of industrial action over what they describe as the proliferation of part-time and "fragmented" posts. It is likely that if the Early Childhood sector was unionised similar industrial action would be inevitable.

Describing the plight of the SNA, Minister Jan O'Sullivan recently said the fragmentation which was making it harder for workers to secure decent hours as "unacceptable".

"Within the last couple of days, the Department has written to management bodies, to unions, and to the National Council for Special Education. We have asked all parties to come together over the next couple of weeks to understand the challenges facing management bodies that are leading to this trend and to start putting in place a solution to address your union's concerns, concerns which I share, about the hours worked by SNAs and the wages that they earn," she said.

Speaking about zero hours contracts facing many SNA posts, Ms O'Sullivan said she believed they were damaging to the lives of people working on them and ultimately bad for employers.

Minister O'Sullivan recognises the need for improved wages in our sector: "In particular, the early years sector - too long a neglected area of Irish education - needs to see a significant step-change in investment. So that our youngest children get the quality education they deserve. And so those working in this sector can earn a decent living."

Viewpoints from the Sector:

"I graduated in 2011 with an honours degree in Early Years Education. I worked in the private sector for 3 and half years and I started in the Before 5 Family Resource centre in September. I'm in childcare nearly four years now, I'm earning just above minimum wage and because I'm on a fixed term contract, looking into the future it doesn't look bright from where I stand. It affects my personal life, it means I can't apply for a mortgage, I can't get a car loan and it is an extremely difficult job too. If it continues the way it is I obviously won't be able to stay in my job. Long-term if you can't stay in a job earning just above minimum wage, I mean if I was to ever have a family you couldn't possibly survive on what I'm earning and the practicalities of constantly paying rent, not being able to get a car, having no health benefits, no pension and even working for a period of time having no extra maternity benefits, it's just not looking bright for me."

– **Emma Walsh, Assistant Creche Supervisor, Before 5 Family Resource Centre, Cork City**

I would like to inform you of my story, one I'm sure is not uncommon. I am currently in the process of moving on from my current employment for reasons I will explain. I have been in the childcare sector nearing 20 years now. I studied nursery nursing initially, discovered my love of the Montessori method of teaching and am now in a management position in a private crèche. While in employment I continually upskilled myself to ensure provision of quality care for my service. I now have an honours degree in Early Childhood Studies which cost €10,000 plus childcare costs, travel and books etc on top. I achieved level 7 in 2013 and level 8 in 2014. My employer is currently benefitting from Pobal's grant of €10:50 per child based on my degree.

In two years she gains with 12 ECCE children the sum of €9,576. I have not as much as gained a wage increase! This has led to extreme upset and frustration. On questioning the reason as to why I have not received a wage increase I was informed 'she gets awarded for hiring me with a degree', my argument is she did not hire me with this degree, I paid for this degree all by myself with no interruption to my employment and no financial support for my college fees etc.. How can this be just? Why, having spent four hard years working and studying does my employer receive an award, yet I do not get a wage increase? I am a single mum, my son and I have sacrificed so much for me to attain my degree yet I receive no just financial reward? I feel so let down, by my employer and the government. I am a prime example that us – childcare professionals – are subsidising the sector. Either that or subsidising 'business owners' summer holidays. Thank you so much for taking the time to read my side of the story

– **Letter from Childcare Professional, Dublin**

"2014 was a tough year for us, we had to juggle around with staff and cut hours at a moment's notice which was very difficult for some staff. I would love to pay my staff more than they are being paid but the money is just not in the pot. So it's their passion that keeps them here. If I was a business person and I wanted to make money I'd scrap this in a day, it's not the money that I do this for. It does tick over and I do get to pay everybody at the end of the week - I may not get to pay myself - but I get to pay the overheads and most importantly I get to pay the staff."

– **Soirse Doheny, Owner-Manager, Happy Phases, Kimmage, Dublin 12**

Employers

For employers in the sector the average cost of staffing amounts to approximately 70% of all expenditure. Any increase in minimum wage would cause a difficulty for many of our members in being able to pay their staff.

Preschool Regulations set down rules for ratios of adults to children in Early Childhood settings. The ratio legislation creates rigidity in the amount of staff required to operate in the sector. Employers cannot choose to employ less people and increased expenditure would mean that many services would be forced to close their doors.

Since the introduction of the ECCE scheme many providers are struggling to be sustainable. The scheme pays a capitation rate of €62.50 per child per week. According to our [ECCE scheme Survey](#), €75 per week was the most commonly reported charge for a sessional place prior to the scheme's introduction. This means services have borne the brunt of a 17% drop in income year on year.

Many employers in the sector are under huge pressure. Many early childhood settings have taken a financial risk in order to deliver a Government Programme yet they are rarely able to reap rewards. Put simply, the ECCE Scheme, CCS and TEC schemes – all Government Programmes- could not be delivered without the collaboration of these settings.

As we know from the Pobal survey of 2014, 31% of existing services report themselves as full, which means that 69% of services currently have vacancies. The current DCYA policy is that entry to the ECCE scheme remains open. This lack of a strategic approach risks displacement to those currently operating services and creates ongoing instability and uncertainty in the sector.

So while many operate services for the love of their work and not for financial gain, these businesses must be viable in order to trade. As business owners, they are unable to draw social welfare benefits in the summer months despite the fact many of them close for the summer months. In the main employers want to pay their staff more but are unable to pay more due to the rates and condition of the funding they receive from Government.

Many employers remarked that 'parents want to pay less, but staff want pay rises'.

Recommendations

The low wages available in the Early Childhood sector reflect the low value society places on the childcare sector.

Everyone in the sector has the right to receive a living wage and a clear expectation of a salary over a year. Pay increases are clearly needed.

It is important to realise however that employers are under huge pressure in our sector and if the burden of pay increases falls on employers many will be forced to close. There is no room for manoeuvre in staff numbers in our sector due to strict ratio legislation.

An increase in the capitation rate of the ECCE scheme is not a solution to low pay as there is no guarantee that this increase will be passed on in wages as many services are struggling to be operational.

The required pay increases must be linked to salary scales based on qualification levels. Increases in pay for the lesser qualified should not adversely impact on the wages of relatively higher earners e.g. graduates.

In the past our sector has not been shown the basic respect of being consulted on implemented schemes, notably the ECCE scheme. Our sector is complicated and no changes can simply be put upon the sector again, extensive consultation is needed as a minimum for any future changes.