

31 August 2026

CM:72/26

Dear MP

REQUEST FOR MEETING – STAND WITH COMMUNITY PRESCHOOLS

I am writing to request a meeting with you about the latest developments in our Start Strong Pay Fair campaign for improved funding for over 700 NSW community preschools.

Our IEU preschool ambassadors will be in Sydney from Tuesday 15 to Thursday 17 September and hope to meet with you to discuss the effect of the new funding model on their own preschools and other preschools. Please contact Helen O'Regan in our office on 8202 8900 or email ieu@ieu.asn.au to make a time to meet on these days.

If you are able to assist in coordinating a meeting with your fellow members of parliament, that would be greatly appreciated.

Community preschools – urgent update

In March, we advised MPs of the decision and recommendation of the Fair Work Commission ([2026] FWC 424, 16 February 2026), which recommended the NSW Government **increase funding** to enable a supported bargaining agreement be reached to enable community preschools to address the systemic low rates of pay and the gender undervaluation of the critical work performed by teachers and educators in our community preschools.

New funding model

On 26 June 2026, the government released a press release [NSW Government Preschools media release](#) which included the following commitment:

The new Universal Preschool Funding program and Fee Relief for Long Day Care will replace the outdated, Covid-era Start Strong program, and will fully fund the operating costs of not-for-profit preschools, conditional on services meeting strict quality standards. The program will also include a mandatory pay increase for early childhood staff from the beginning of 2027.

The union has sought details of how the new funding model to be introduced from 2027 will work in practice, including whether the new model actually implements an increase or a decrease in funding.

However, the government has refused to provide details and has not committed to **any increase** in per child funding. We would need a **50% increase** in per child funding just to match Victoria (and we note that is before the 30% wage increase now being offered to Victorian Preschool teachers).

Teacher wages

The government's funding model is based on teacher wage rates being set at much less than teachers in schools and public preschools and less than teachers in long day care centres. For an experienced teacher, the government's new proposed model requires a teacher to be paid **over \$30,000 less** than a teacher in a public preschool or school. The government's current funding proposal is **below current teacher wage levels in the majority of community preschools and would actually result in a pay cut for those teachers.**

After two years of negotiations, we have arrived at a government offer of a pay cut for community preschool teachers.

Staffing and inclusion

The government has claimed that funding for staffing will now be based on the public preschool staffing model without taking into account the longer hours of operation of community preschools and the fact that public preschools have access to additional staffing and resources because of the co-location with the public school. Cuts to staffing will threaten child safety and the quality of preschool services.

The funding for children with additional needs remains inadequate and will not cover the costs of providing the service to this cohort.

Fee cap and concluding comments

The government has announced in that caps on fees to parents of \$20 per day will be introduced.

If funding is reduced, preschools will not be able to make up the loss in revenue by increasing parent fees. This will be catastrophic for many preschools. Community preschools support low or no fee preschool access. However, this is not able to be provided if government funding does not meet costs.

We need a fair funding model that values the work performed by teachers and educators across community preschools. We cannot build a Universal Preschool sector without supporting teachers and educators. The foreshadowed funding model threatens the viability of the sector. We need a real funding increase and actions taken to address pay and conditions in the sector.

We thank you for your support on this important issue.

Yours sincerely



CAROL MATTHEWS
Secretary