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Union warns new funding model endangers community preschools

The union representing teachers and educators in early childhood education and care in NSW this week will warn NSW MPs that the state government's new funding model risks the future of not-for-profit community preschools.

IEU members from across the state will attend NSW Parliament House to discuss with MPs the dire impact that the NSW government's new Universal Preschool Funding program and Fee Relief for Long Day Care will have on their community-based preschools.

"The new funding model threatens the viability of not-for-profit community preschools," said Independent Education Union of Australia NSW/ACT Branch Secretary Carol Matthews. "It will lead to staffing cuts that threaten child safety and the quality of preschool services. It will also mean less funding for children with additional needs and pay cuts for preschool teachers."

The NSW government announced its new funding model in June to replace the outdated, Covid-era Start Strong program, promising to fully fund the operating costs of not-for-profit preschools and increase the pay of early childhood education staff from the beginning of 2027.

However, the government has refused to provide details and has not committed to any increase in funding per child.

Matthews said the NSW government's funding model is based on community preschool teachers being paid much less than teachers in schools, public preschools and long day care centres.

An experienced teacher in a community preschool would be paid about \$30,000 less than a teacher in a public preschool or primary school under the NSW government's new funding model.

"Our members are upset and angry by the NSW government's failure to value their work," Matthews said. "We cannot build a universal preschool sector without supporting teachers and educators."

Matthews said the NSW government had consistently ignored the Fair Work Commission, including a recommendation that the government review and boost funding for community preschools so they can provide pay rises to teachers and educators.

There are more than 700 community preschools across NSW that provide a vital service to families and communities by educating and caring for children aged 3-to-5.

We need a fair funding model that values the work performed by teachers and educators across community preschools," Matthews said.

"The NSW government's new 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."

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The IEUA NSW/ACT Branch represents over 32,000 teachers, principals and support staff in Catholic and independent schools, early childhood centres and post-secondary colleges.

Authorised by Carol Matthews, IEUA NSW/ACT Branch Secretary