



Briefing Note: Early Childhood Council (ECC) one-day conference

To:	Minister Hipkins		
Date:	2 July 2021	Priority:	Medium
Security Level:	In Confidence	METIS No:	1264133
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Messaging seen by Communications team:	No	Round Robin:	No

Purpose of Report

You will be attending the Early Childhood Council (ECC) one-day conference on Saturday 3 July 2021. This briefing provides you with background information on the ECC and the conference. It also provides speech notes (Annex 1) and questions and answers (Annex 2).

Agree that this Briefing will be proactively released.

Agree / Disagree

John Brooker
Group Manager
Education System Policy

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Hon Chris Hipkins
Minister of Education

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Background

1. The Early Childhood Council (ECC) represents the interests of independent early learning services and promote the provision of quality early learning. According to their website, the ECC has over 1,100 member services. The ECC's membership comprises 30% community-owned services and 70% privately-owned services.
2. The purpose of the conference is to help ECC members build competency across some key topical areas in the ECE space and allow members to have the opportunity to share their experiences and concerns with those who influence the way ECE centres operate.

Conference Details

3. The ECC Conference will be held on Saturday 3 July 2021 in Auckland, with an estimate of 100 members attending.
4. You will be introduced to speak at 2.30pm for 15 minutes, followed by a 15-minute speech from Erica Stanford MP. There will be a question and answer session after the speeches, expected to take around half an hour.
5. The key topics of your speech are:
 - a. Pay parity with Kindergarten teachers
 - b. ECE teacher shortage
 - c. Pay Equity – changes to the Equal Pay Act.
6. We have added in some placeholder text in the speech to allow you to announce the proposed change to discretionary hours.
7. At the Early Learning Action Plan Strategy Session on Wednesday evening you also indicated your office would work with the Prime Minister's office on a possible announcement of the border exemption for teachers. We have therefore indicated where such an announcement could fit into the speaking notes.
8. Officials from the Ministry of Education will also attend the conference and speak about the following topics during the morning sessions:
 - a. Early Learning Action Plan – Nancy Bell, Associate Deputy Secretary, Resourcing and Early Learning Operational Delivery
 - b. ECE teacher supply – Simon Mandal-Johnson, Senior Manager, Teacher Supply and Strategic Design
 - c. Regulatory Review – Siobhan Murray, Senior Policy Manager, ECE Policy
 - d. Licensing and monitoring – Tanya Harvey, Deputy Director Auckland region.

Annexes

Annex 1: Speech Notes **Annex 1 withheld under s9(2)(g)(i)**
Annex 2: Possible Questions and Answers

Annex 2: Questions and Answers – ECC Conference, 3 July 2021

Pay Parity

Q: Why can't services decide whether a teacher is performing well enough to move from one step to another, rather than having progression based on simply working a full-time year, as is set out now?

A: I've been advised the Ministry is reviewing this part of the proposed funding condition. We'll confirm the final position on this aspect once the Bill is through the House and the funding condition is made final.

Q: Why was legislation needed to enable the pay parity initiative? Couldn't this just be achieved by revising the salary attestation approach the Ministry already uses?

A: As Minister of Education, I already have a very broad legislative power to set funding conditions of varying types. This could be a particular salary attestation, for example. But when I set a condition, it needs to be primarily for achieving the purposes in section 4 of the Education and Training Act. There never used to be a purpose section in the old Education Act.

The proposed pay parity condition could be characterised as mainly being to achieve an employment relations purpose or aim (enabling fair pay for people doing the same work and with the same qualifications). The Bill allows the condition to be set even though this aim arguably doesn't fit under the section 4 purposes, which are more secondary (the quality of the education system).

It's very likely the case that an attestation approach will be used to implement the pay parity initiative.

Q: Won't other conditions get put on this funding that we don't know about yet – it makes us very uncertain about whether to opt in?

A: My focus is on pay parity. I am not going to get into setting other conditions that aren't related to pay. We have enough work to do to get pay parity implementation sorted out before we get into other conditions.

Q: What about if the pay rates in the kindergarten collective agreement change next year? Won't we then have to pay higher salaries for the same rates?

A: Attestation to higher pay rates would only occur if additional funding was made available.

Q: What am I going to do about my team leaders and more experienced teachers whose pay will be caught up to by the less experienced teachers if I opt in?

A: As I said in my speech, there will be some bumpiness and the catch ups will be uneven as we move towards pay parity. Ideally, we would move to a system that worked for everyone immediately. This is not possible given the cost and funding mechanisms immediately available. I am optimistic that the issue of internal pay relativity will not be a matter that lingers very long because I'm confident we'll be in a position to add in other pay steps relatively quickly next year.

Q: I'll have to cut the quality teacher ratios my service offers in order to opt in – what is your advice on this?

A: At the end of the day these are decisions that I can't make for services. The decision adopt better than regulated ratios in the first instance wasn't made by the government and so we won't tell you whether opting in is the best approach or how to make that work. Better ratios are on the work programme but I do not want to overly complicate pay parity with ratios right now.

Q: *What about unqualified teachers – will there ever be scope to improve their pay?*

A: Our focus in this Budget and the election manifesto we were voted in on is qualified and certificated teachers' pay in education and care services.

Unqualified teachers bring experience and skills that many services are better off for having on their staffing roster but there are no specific plans to target this group. Having said that, it is possible that recognition for this group of teachers will eventually be enabled through pay equity claims in relation to support staff.

Q: *Are you worried that this will lead to smaller services getting taken over by larger services when they decide it is unaffordable?*

A: I would be concerned if there was going to be a detrimental impact on the children involved. However, I haven't seen a clear case made out for this. I think it is also too early to say whether this is going to eventuate simply because of this pay parity initiative, or whether other factors would be more likely to be responsible.

Q: *The service I run won't be in a position to opt in – so I'm worried I'm going to lose my best staff to competitors who opt in.*

A: I acknowledge that there is a chance some staff movement may occur. But again, it is too early to say how much of a factor this will be. Staff are not necessarily going to move immediately if they are generally satisfied with other aspects of the work environment. Furthermore, turnover at services who opt in should reduce, meaning less scope for people to move to take their place – much like I hear is the case in the kindergarten settings.

I'd also emphasise that this is not a long-term setting – within 1-2 years, I envisage a more inclusive funding system will be on the cards negating the development of a permanent two-tiered system.