Association of Childhood Professionals
The Professional Body Representing Practitioners in Early Years and School Age Care & Education

Joint Committee on Children, Equality, Disability, Integration and Youth

Opening Statement by Association of Childhood Professionals

November 7, 2023

I would like to thank the Committee for the invitation to discuss the "*Issues facing the Early Childhood Sector*".

When announcing his budget in Sept 2022, Minister O'Gorman stated that the Government had met their target of €1 billion investment by 2028. While the increased investment was welcomed, it must be acknowledged that we are still only investing 0.3% of GDP in our ECEC sector as opposed to average investment of 0.8% across Europe and the 1% recommended by UNICEF. This, combined with significant increases in inflation, means that despite increased investment we find that the core issues of staffing crisis, financial instability and variable quality remain.

A competent ECEC system is necessary for all stakeholders. Our economy requires a childcare system that enables primary caregivers to be in employment. Families require affordable, accessible provision. Children, when attending ECEC services, require high quality interactions and consistent relationships with Educators who can be in the moment with children. Service providers and Educators require appropriate remuneration for their work. While provision is becoming more affordable for families, this is perhaps the only target that is actually being met.

Currently many small to medium providers are experiencing financial pressures due to Government policy. In 2022 we saw the introduction of Core Funding, which many would see as a fair, well balanced, and well-intentioned funding model. However, the funding rates were set prior to the unprecedented inflation rates that beset the country. Providers signing up to Core funding were obliged to commit to a fee freeze, with the target year being set as 2021. During the height of the Covid pandemic providers received supports through the EWSS and were rightly asked to enter a voluntary fee freeze by the DCEDIY. As a result, providers who complied with this request now find themselves with their fees frozen at 2017 or 2018 rates, while services that raised their fees are significantly more viable. The DCEDIY have refused to allow reconciliation for those whose fee structures predated the target year of 2021. This, coupled with the huge inflation rates, have left many providers in a precarious financial position. (See Note 1: Core Funding Fee Freeze)

Additional investment was announced in Budget ‘24 but this will not be available until September ‘24, thereby requiring providers to make tough decisions regarding the operational model they offer. (See Note 2: Operational Decisions for Providers)

Recruitment and retention of Educators continues to be a major issue in ECEC. While an historic ERO introduced pay rates for various grades of Educator, these rates have not kept pace with inflation, and while welcomed, were recognised as a first step towards the professional rates required to attract and retain a highly qualified and experienced workforce. Many employers hoped that an improved ERO would be made this year and that additional funding would be invested to meet this. However, this has not happened and while the Educators really need this pay increase, many employers are dreading it as it will further challenge their viability. (Note 3: Sept 2023 funding increase insufficient funding for wage increases or to cover rising costs)

Poor wages, lack of paid non-contact time, increased paperwork, increased parental expectations, children with complex needs, etc. all contribute to significant difficulties in recruitment and retention within the profession.

Budget ‘24 saw increased investment in the Access and Inclusion Model. This was welcomed as a necessity for supporting inclusion, but many recognise that supports under level seven of the model will not be achievable as there are insufficient numbers of Educators willing to remain in the profession to fill places and capacity will be reduced if providers reduce ratios by reducing intake of children.

The impact of the recruitment crisis is not only felt by providers but by parents all over Ireland who are finding it increasingly difficult to find childcare for their children, whilst endeavouring to either enter or return to the workforce. This is most strongly felt by parents of children 2 years and under.

With the announcement of further increases in the NCS subsidies to parents, the DCEDIY expressed an anticipation of an increase in demand coinciding with the increased subsidy. We recognise that capital funding is to be made available to increase capacity, which is great, however, we are in a staffing crisis so this increased capacity cannot be actualised without addressing recruitment and retention.

The Minister refers to the fact that parents can access the NCS through registered childminders, but unfortunately to date very few childminders are registered in this country and when they look at the experiences of their colleagues in centre-based provision, they will be very cautious about engaging with government schemes and the myriad of conditions and administration required.

NCS is also problematic for service providers and families in terms of the restrictions and rules imposed. (See Note 4 for an example).

The delay in implementing required supports for children from disadvantaged and marginalised families and communities is disturbing. The €4.5m announced for Sept '24 is insufficient to even make a dent in the supports required. If substantial investment is made in the Equal Participation Model in next year budget, it is likely it will be Sept '25 before significant supports will be in place.

There is concern about services risk rating families and prioritising "safe" families who are likely to comply with the rules and are able pay increased fees where funding is reduced/removed due to rule requirements.

We also need to be careful of the corporatisation of ECEC, where significant portions of money invested to provide high quality ECEC and SAC is actually diverted into the pockets of shareholders through international pension funds, etc.

We have asked for many years that inspections are streamlined and made to be more manageable for a service. We agree with the need for inspections but find it difficult to have to work between so many agencies, some with conflicting requirements or even findings. This is undoubtedly a reason for some of the exodus from our profession.

We take this opportunity to highlight the fact ECEC services are subject to Department of Education inspections yet we had EDUCATION stripped out of our title with zero consultation and are required to pay rates, despite being defined in law (Under the Equal Status Act and The Childcare Act of 1991), as educational facilities, who should be exempt from rates!

Thank you for listening and we welcome any questions you have.