

Resolution of Council

22 September 2025

Item 13.3

Investigating A Pay Rise for Early Childhood Education Workers

Moved by Councillor Thompson, seconded by Councillor Ellsmore -

It is resolved that Council note:

- (A) the Federal Government has introduced a worker retention grant program enabling employers of Early Childhood Education Workers, who are among the lowest-paid essential workers in our community, to deliver a 15% pay increase over two years, for which the City of Sydney is eligible;
- (B) on 23 June 2025, Council unanimously supported a notice of motion requesting the Chief Executive Officer investigate applying for the Federal grant to increase the pay of City of Sydney early childhood educators over the next two years, and report back to Council;
- (C) forty-four eligible councils have applied for this additional funding for their workforce. Seven other Councils including the City of Sydney are eligible; and
- (D) City of Sydney staff have recommended it not apply for this grant because:
 - (i) City of Sydney wages for early childhood education and care (ECEC) workers are already well above the current Australian modern award, well above the increases proposed in the Early Childhood Education and Care worker retention payment and above the increases proposed to the Children's Services Award 2010 by the Fair Work Commission's Priority Awards Review, and have been for some years;
 - (ii) City of Sydney employees also receive benefits not offered in all other ECEC services, including allowances, generous sick leave, care and culture leave, 26 weeks parental leave, superannuation paid for the entirety of parental leave, along with other leave entitlements, flexible rosters and workplace arrangements, a 36.25-hour full-time work week and training and development opportunities;

- (iii) the City of Sydney keeps childcare fee increases low, at or below CPI each year. This helps us continue to provide high quality free services and places for vulnerable families, for people seeking asylum and refugees, along with support for families and children with disability;
- (iv) while the grant would provide \$1.13 million in the first 2 years, continuing the 15% pay rise over the remaining 8 years of the Long Term Financial Plan (LTFP) will add \$10.74 million to operating expenses in the budget; and
- (v) this has not been budgeted. The City cannot afford these additional expenses without raising early childhood education and care fees by 76.5% from 1 July 2027. For example, for families using Eveleigh Early Learning Centre, this is an increase of \$96 per day or \$480 per week. Such fee increases would be an unacceptable burden on families.

The amended motion, as varied by consent, was carried unanimously.

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