

Survey results for Ashley community-based ECE Centres - **re the effects of the Government's funding cuts to the ECE sector**

The Government's funding cuts of \$400m to the Early Childhood Education sector were announced as part of their 2010 May Budget. This funding change has already generated huge concern within local ECE communities, despite the actual funding cuts not coming into effect until 2011. Parents in particular are becoming increasingly outraged as the full implications of the funding losses begin to hit home. On the contrary, the National Government gives the impression that the cuts are no big deal and will help "spread" quality ECE around the sector (see New Zealand Herald, 1 July 2010, p.4). This survey was undertaken to get an accurate picture of the true effects of the funding cuts for local ECE Centres.

All of the eight Early Childhood Education & Care Centres approached in the Ashley area voluntarily completed the attached survey. Every one of these ECE Centres is a community-based not-for-profit organisation (whose only available "savings" to fall back on in hard times are usually funds put aside for operational costs that will come up later in their financial year). The Senior Teacher / Supervisor in each of these Centres was responsible for completing the survey, however they checked their replies first with their own Centre's Board or Committee rep. The names of the Centres and supervisors involved in this survey have been removed from the survey results to maintain confidentiality for those Centres. Many thanks to everyone who participated in this survey, collated by Anne Harte, NZEI Te Riu Roa.

Question 1:

How much funding will your Centre be losing a year, as a direct result of the 2010 May Budget funding cuts to the WCE sector?

Obviously the exact funding losses for Centres are not yet known, but almost all of the Ashley ECE Centres have been able to work out close estimates. For seven Centres, the anticipated funding losses range from \$17,000+ to \$103,000 per year, with the average funding loss for those seven Centres being \$55,714 per year. One Centre was unable to indicate the amount of funding they will lose.

Question 2:

Please indicate below the areas you are most likely to have to make changes to in your Centre, as a result of the Budget funding cuts.

The process used: after choosing only the areas they are most likely to have to change in their Centres (to make up for the reduced funding), survey respondents then ranked their choices from 1 to 6+ in order of financial importance for their Centre. Most respondents ranked their choices individually by using different numbers for each, however several Centres grouped their ranking of choices by marking two or more areas as being of the same level of importance regarding the impact on their Centre's finances.

The areas of likely change: overall percentages

The total percentage of the eight Centres that selected any one area as being likely to change (regardless of ranking in terms of financial importance) are indicated below.

- Reducing the number or hours of qualified teachers - 62.5%
- Increasing the teacher : child ratios - 50%
- Increasing the attendance fees for families - 87.5%
- Reducing your Centre's "add-on" benefits for children - 75%
- Reducing workplace conditions - 75%
- Increased fundraising activities required - 75%
- Other: - 62.5%

Reduced teaching & children's resources, reduced professional development for teachers, trimming back untrained staff to keep trained staff, charging parents for the hours they book but their children do not attend, booking children more sessionally to avoid losing funding for "unfilled" periods, parents contribute \$10 weekly for technology as an expense, charging students & teacher trainees for resources such as photocopying, staff opting to cut their hours / days.

Findings re the areas of likely change:

At 87.5%, a clear majority of the Ashley ECE Centres indicated that they are likely to have to increase their attendance fees for their families. The next most likely changes are a reduction in “add-on” benefits for children, a reduction in workplace conditions, and increased fundraising, all of these three areas being selected by 3/4 of the respondents.

The least-chosen area of change is an increase to the teacher : child ratios, although still indicated by half of the respondents as being likely. Almost 2/3 of respondents then indicated a reduction in the number or hours of qualified teachers as likely to occur, along with the variety of “other” changes (listed above).

Regarding likely changes due to the funding cuts, most of the Ashley Centres seem to be focusing primarily on ways to increase their income and reduce their costs. The two options for likely change selected least by the Ashley Centres are those areas most closely linked to quality ECE and teacher-related resources – reduced teacher : child ratios, and increasing the number and hours of qualified teachers. (The “other” option was less easily identifiable, including income/cost plus teacher areas.)

The areas of likely change: first options

The area of likely change ranked by Centres as being of most importance financially to these Centres are shown below, as a total percentage for the eight Centres. (Two respondents marked more than one area as being the most important in this respect.)

- Reducing the number or hours of qualified teachers - 12.5%
- Increasing the teacher : child ratios - not a first choice for any Centre
- Increasing the attendance fees for families - 62.5%
- Reducing your Centre’s “add-on” benefits for children - 12.5%
- Reducing workplace conditions - 12.5%
- Increased fundraising activities required - 25%
- Other (as above on page 1) - 37.5%

Findings re first options for areas of likely change:

Again the option of increasing attendance fees for families is ranked by the majority of Ashley Centres (almost 2/3) as the most important of the likely changes in financial terms for these Centres.

Question 3:

In a nutshell, what is the impact of the ECE funding cuts for your ECE Centre?

- Struggling with the fact our children are only worth 80%.
- We have had to increase 3-4 year-old attendance fee by \$10 per week. This will help cover technology fees.
- It has meant that the value that we place on teacher development is going to be the biggest cut that we need to make to our centre budget.
- At present we charge no fees to children who are eligible for '20 hours ECE' as all children attend only 6 hours daily. We will probably have to increase hours to enable us to charge fees.
- I think the amount of funding we are set up to lose speaks for itself. We are very concerned about this loss as are our parents and whanau in the community.
- Uncertainty, unsettledness with no thought of any improvement and quality.
- After trying to increase staffing to 100% qualified and getting several teachers into training, the current change to 80% means that the employment of non-qualified staff would become the preferred option.
- Over the past five years we have been supporting student teachers through their training as we have endeavoured to work progressively towards the Ministry’s 10 year strategic plan for having 100% registered teachers. The change in funding in terms of this goal will now impact on how we can support these teachers as they now come to an end of their training. Also in the future we will have to seriously consider before taking on new student teachers the affordability of this. This seems a shame and loss as we now look at the impact this may have, as we continue to strive for quality in early childhood without the funding band that we currently receive or were striving to achieve.