



Early Childhood Australia
A voice for young children

**OUR
VISION:
EVERY
YOUNG
CHILD IS
THRIVING
AND
LEARNING**

MEDIA RELEASE

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Calls for equal focus on workforce participation and all children's outcomes

National children's peak body Early Childhood Australia (ECA) has welcomed the Prime Minister's announcement that the proposed Paid Parental Leave (PPL) scheme will be dropped to support further investment in early childhood education and care, welcoming the recognition that early childhood education and care (ECEC) is central to economic policy and is the key issue for families with young children.

ECA CEO, Samantha Page, said that ECA welcomed the Government's foreshadowed 'families package' which may redirect savings from the proposed paid parental leave scheme into child care.

'Paid parental leave is important to support parents to spend time with infants, particularly for bonding and attachment. In principle we support a full wage replacement scheme that is more generous than the current minimum wage model', Ms Page said.

'However, in an era of fiscal restraint where we have to make difficult choices, the priority should be on affordable, high-quality early childhood education and care which will amplify children's development over the long term while also supporting workforce participation, rather than a more generous Paid Parental Leave scheme.'

Ms Page said that in developing the package, workforce participation benefits should not be the only focus.

'Data from economists, social scientists and medical experts conclusively shows that the best and most efficient way to improve productivity is to invest in early childhood development—from birth to age five—particularly in disadvantaged children.'

'For Australia to enhance its future prosperity over the long term, greater access to quality early childhood education and care for all children needs to be a priority.'

'Australia needs to invest in children's development for the benefit of our future', Ms Page said.

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‘The economic benefits from children receiving a high-quality education and care program benefit our whole skill based economy and must be the focus of further investment.’

PricewaterhouseCoopers’ landmark 2014 Report, *Putting a value on early childhood education and care in Australia*, has now found significant potential economic benefits from increased investment in early childhood education and care with the largest gains in the area of increased participation by vulnerable children

- Benefits to GDP from a 5 per cent decrease in the net price of ECEC (for increased female workforce participation)—\$6.0 billion cumulative to 2050
- Benefits to GDP for children receiving a quality education and care program—\$10.3 billion cumulative to 2050
- Benefits to GDP of increased participation of vulnerable children whose parents are in the lowest income bracket—\$13.3 billion cumulative to 2050

‘Participation in quality early learning amplifies children’s early development, whilst also supporting parent’s workforce participation; making a significant contribution to the nation’s economy,’ Ms Page said.

The Government has made significant investment in early childhood education and care through the Budget. As indicated in The Mid-year Economic and Fiscal Outlook (MYEFO), investment in the Child Care Benefit and Child Care Rebate is forecast to be \$31 billion over the forward estimates. However, Australia’s investment in early childhood education falls below comparable Organisation for Economic Cooperation and Development (OECD) countries.

‘We look forward to working on the package of reforms with the Government, because we need a system that is easy to navigate and is affordable for all families’, Ms Page said.

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