

MEDIA RELEASE

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Restricting access to Paid Parental Leave will leave children worse off

The national early childhood peak body, Early Childhood Australia (ECA), is disappointed at the Government's proposed restrictions on the Paid Parental Leave Scheme to remove so called 'double dipping'. The new measure would remove the ability of parents to access both the government and employer parental leave schemes.

Ms Samantha Page, CEO of ECA says that the reference to 'double-dipping' in the Budget papers was misrepresenting legitimate utilisation of the scheme.

'ECA is a strong supporter of Paid Parental Leave because it supports parents to spend time with a new baby or child in their first year together', said Ms Page.

'Indeed we applauded the Government for proposing a more generous, full wage replacement scheme funded through a business levy but argued that would only be effective if combined with improved access and affordability to child care which is a major concern for many families with young children. It is a real pity that the Government has chosen to not only abandon their policy but also potentially remove parents' entitlements to their existing parental leave.'

'The level of attachment formed between parents and their children in the first year is critical to children's long-term development and family wellbeing.'

'We totally reject that mothers and fathers are "double-dipping". These are parents that are cobbling together enough time to do what is in the best interest of their family—forming a relationship with their newborn children.'

Ms Page said that the removal of leave entitlement will place a significant strain on workplace and family flexibility.

'This makes no sense for supporting workforce participation, or interests of children, and leaves a further gap between parental leave and child care.'

Ms Page said that some employers provide family-friendly paid parental schemes to assist their employees to have greater flexibility, while remaining in employment and retaining business investment in skills.

'The design of the current Paid Parental Leave Scheme was to achieve a balance between public investment and private investment but we are now concerned that employers may withdraw or reduce their own scheme. This initial scheme was consistent with a Productivity Commission finding that there are benefits of paid parental leave in delivering lower long-term health costs and productivity benefits through workforce attachment.'

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