



Early Childhood Australia
A voice for young children

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

MEDIA RELEASE

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Election 2016: policies offer child care costs relief but children need to be central

Peak early childhood body, Early Childhood Australia welcomed new modelling by the ANU Centre for Social Research and Methods, comparing the impact on child care affordability under the Coalition Government's Jobs for Families Package, with Labor's proposed increases to existing subsidies (Child Care Benefit and Child Care Rebate).

The modelling shows that the Coalition's package would be more generous over the long term to working families – that is families that meet the activity test that will apply to both parents.

"Australian families need confidence that they can access affordable quality early learning that boosts their children's development, and supports their life choices," said Samantha Page ECA CEO.

The streamlined means tested Child Care Subsidy will be more generous for families if they are meeting the activity test, and are working, studying or volunteering for 8 hours per fortnight. The subsidy would cover up to 85% of the full cost for low income families, tapering down to 20% for those earning over \$340,000 or more.

While the Government's Child Care Subsidy would provide better support for working families, it isn't due to begin until 1 July 2018. Labor's proposed increases to Child Care Benefit and Child Care Rebate would start from 1 January 2017.

"The immediate relief of Labor's policy is welcome, and most importantly they will continue to support children from low income families to access at least 24 hours of subsidised early learning," said Ms Page.

"But in the long run the whole subsidy system needs reform to enhance Australia's future prosperity. We need more children to gain the lifelong benefits of participating in quality early learning experiences, particularly vulnerable children at risk of starting school at a disadvantage to their peers."

"The problem with the Coalition Government's Package is that the most vulnerable children will be the worst off. Vulnerable children, who would benefit the most from early learning, are the most likely to have parents not able to meet the activity test."

"If the Government fixed the activity test, so that vulnerable children could continue to access two days of quality early learning we would have a Package that could really deliver in reducing financial stress for families, increasing workforce participation and boosting child development," said Ms Page.

Previous modelling by Dr Ben Phillips showed that up to 130,000 children could miss out on subsidies, and risk losing access to early learning, as a result of the Government's proposed activity test.

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Early Childhood Australia is the peak advocacy body for children under eight, their families and those in the early childhood field.