



Early Childhood Australia
A voice for young children

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

MEDIA RELEASE

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Win-win solution to split the childcare reforms out of the Omnibus Bill

Early Childhood Australia (ECA), the national peak advocacy body for children from birth to eight years, calls on the government to split the Child Care Reform Package from the Omnibus Welfare Savings Bill to allow the childcare reforms to pass the parliament in the next sitting fortnight, and to make key amendments.

‘Early Childhood Australia agrees with the government’s concern about families facing ever-increasing costs for child care, hindering many parents from returning to work or working more’, said ECA CEO Samantha Page. ‘The childcare subsidy reforms currently before parliament will go a long way to easing that pressure—but not until July 2018, even if the measures are passed this session.

‘We call on the government to consider the impact on families if the Omnibus Bill fails to pass the Senate, and urge all parties to work together to put the needs of children and families first’, said Ms Page.

ECA is calling on the parliament to amend the Child Care Package to ensure that all children in the community are able to access two days of early childhood education, and that Indigenous children, who start school twice as vulnerable as the general population, are able to access three days per week.

In a joint submission to the Senate Inquiry into the Omnibus Bill, ECA and 22 other organisations propose these key amendments to the Child Care Package:

- **Increase the base entitlement from 12 hours to at least 15 hours per week of subsidised early learning** to ensure that children can have continuous access to two sessions across two days, even when families do not meet the activity test.
- **Increase the household income threshold for the base entitlement from \$65 710 to \$100 000** to ensure consistency with the threshold for other family payments and ensure consistency of access for families, especially those in low paid work or irregular employment.
- **Increase the subsidised hours of care for Aboriginal and Torres Strait Islander children from 12 hours to 22.5 hours** to support meeting Close the Gap targets on participation in early childhood education. Aboriginal and Torres Strait Islander children are almost twice as likely to start school developmentally vulnerable.
- **Increase flexibility of the activity test** to allow for changing family circumstances by allowing a six-week period of transition where a family’s entitlement to the subsidy has changed.

We also call on the government to develop a strategy to address the gaps in access and participation for Aboriginal and Torres Strait Islander children and families in recognition that these children are twice as likely as non-Indigenous children to start school developmentally vulnerable, and there is a gap of 15 000 places.

‘The long term economic and social benefits of ensuring our most vulnerable children can access quality early learning are well documented—it will be a net saving in the long term’, said Ms Page.

‘The Child Care Package has already been shown to pay for itself—a number of savings have been realised in the package itself and there is no need to link child care to the other welfare reforms that are on the table.

‘In the longer term, a [PwC report](#) to the Productivity Commission shows that increased workforce participation by parents will add \$6 billion to the GDP, and increased education equality for children will add more than \$10 billion.

‘There will be no long-term budget pain in splitting the bills, if that’s what’s required to pass the childcare reforms, and much to be gained for families, children and our future prosperity as a nation’, concluded Ms Page.

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

Download the joint submission to the Senate Inquiry [no 14]:

www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/OmnibusSavingsRef orm/Submissions.

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