

MEDIA RELEASE

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Labor's pledge on childcare fee relief and educator pay is welcome

Early Childhood Australia (ECA) welcomes the Australian Labor Party's pledge to increase the childcare subsidy available to households with incomes of up to \$174,000 per year, and increase the pay of early childhood educators by 20percent over eight years. The campaign is an alliance of early childhood services, education, research and advocacy groups, along with parenting and community organisations.

'Labor's pledge on childcare fee relief is good news for families on lower incomes,' said Early Childhood Australia CEO, Samantha Page. 'Early Childhood Australia would be happy to work with an elected Labor government to maximise benefits to children, particularly those at risk of educational disadvantage.'

Labor promises for families who meet the Activity Test:

- For families earning up to \$69,000 to increase the subsidy rate from 85 per cent to 100 per cent up to the hourly fee cap (currently \$11.77 per hour for long day care)
- For Families earning between \$69,000 and \$100,000 to receive a subsidy rate between 100 per cent and 85 per cent up to the hourly fee cap, and
- For families earning between \$100,000 and \$174,000 to receive a subsidy rate between 85 per cent and 60 per cent up to the fee cap

'ECA also welcomes the promise to urgently review the Childcare Safety Net, to make sure that vulnerable and low-income families and children aren't falling through the cracks,' said Ms Page. 'However we would like to see this include a review of the activity test - which is too complex and confusing. It needs to be simplified to deliver access to at least two days per week of quality early learning for all children.

'We have found that families with irregular work or multiple barriers to work or study are assuming they cannot pass the activity test, where both parents must show they are working, studying or volunteering for eight hours or more each fortnight and children who would benefit the most from early learning are missing out', said Ms Page.

ECA also welcomes the pledge to fund pay increases of 20 per cent to early childhood educators over 8 years – which could increase average total wages of early childhood educators by an estimated \$11,300.

'We particularly welcome the Labor commitment to value our early childhood education and care workforce more highly', said Ms Page. 'We look forward to working with an elected Labor government to develop a national workforce strategy to ensure that Australia has enough well-qualified professional early childhood educators and degree-qualified teachers to provide quality early childhood education to all children'.

'The most effective way to support children in reaching their potential is to ensure they receive the best support in the first five years. It also makes the most economic sense in terms of reduced costs for future education and welfare', concluded Ms Page.

Early Childhood Australia supports the election priorities of the Early Learning Everyone Benefits campaign – for details see https://www.everyonebenefits.org.au/about

Together with the earlier pledge to fund universal access to preschool for all three and four year old children, Labor's proposed policies reflect four of the <u>election priorities</u> of the *Early Learning: Everyone Benefits* campaign, particularly:

- Providing affordable access to quality early learning (for more children)
- Providing ongoing funding for four-year-olds to attend preschool programs (for 15 hours per week)
- Extend universal access to preschool programs to two years before school.
- addressing pay equity and professional development in the early childhood education sector.

ENDS

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Early Childhood Australia is the peak advocacy body for children from birth to eight years, their families and early childhood professionals.