



**Early Childhood Australia**  
A voice for young children

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

## **MEDIA RELEASE**

Tuesday 9 May 2023

### **FEDERAL BUDGET DELIVERS WELCOME RELIEF FOR FAMILIES WHILE SIGNALLING BROADER REFORM**

The 2023-24 Federal Budget delivers several positive initiatives and Early Childhood Australia (ECA) looks forward to continuing to work with the Government on future reforms to deliver universal early childhood education, better wages and professional recognition for early childhood educators.

ECA welcomes the government's budget initiatives to increase the Parenting Payment and provide much needed cost of living relief. We also support the implementation of previous initiatives including increases to the Child Care Subsidy (from 1 July), implementation of a minimum of 36 hours of subsidised early learning for First Nations children as well as the progressive increase of Paid Parental Leave to 26 weeks.

ECA also welcomes investment in the early childhood sector including:

- \$34.4 million over 5 years from to subsidise early childhood professionals to engage in professional learning.
- \$33.1 million over 5 years from to provide financial assistance for early childhood educators to undertake a paid practicum in initial teacher education courses.
- \$4.8 million over 5 years to support practicum exchange at a different service in a rural or remote location.
- \$18m in funding for grants of up to \$900,000 to establish a new centre based long day care or family day care service in an area experiencing limited supply.

These investments in children and families are a significant step in the right direction to longer-term reforms.

#### **Access and affordability**

ECA remains concerned that an increase in the rate of the Child Care Subsidy (CCS), without a complementary measure to increase the number of hours available to families with low incomes and less than 16 hours of work, study or training will exacerbate existing inequity and widen attainment gaps for children in families with low income/insecure work.

Samantha Page ECA CEO said 'The Government has signalled a commitment to delivering the best possible outcomes for Australian children through the development of the Early Years Strategy, the Productivity Commission Inquiry into Universal Early Childhood Education and Care as well as the ACCC Inquiry into affordability and cost. However, if we wait for these processes to conclude, a cohort of children will miss out on early education. Removing the Child Care Subsidy Activity Test would make an immediate difference to children's access while also enabling more parents to work.'

'ECA see the government's reform agenda as a genuine opportunity to elevate the importance of children's education, development and wellbeing outcomes alongside goals of supporting workforce participation' Ms Page added.

### **Professional wages**

While skills and training initiatives make some progress towards addressing serious workforce shortages, lack of movement on wages is a critical missing step. We note that the Federal Budget includes fully funded wage increases of 15% for the Aged Care sector and we welcome this as an important step in redressing gender inequity in wage rates. ECA urge the government to commit to and fund better wages for the early childhood profession as a critical measure for the workforce.

'To deliver the government's vision for Australian children and families, we need a well-supported and thriving professional workforce. Action is needed to address poor wages in the early childhood education and care sector to enable it to deliver the government's promise of more affordable and accessible early education for children and families. A demonstration of the government's commitment to improving wages and conditions for the profession is urgently needed.' added Ms Page.

Overall, the budget gives promising signals for the future. We look forward to working with the Government on ambitious future reforms to deliver universal early childhood education and professional recognition for early childhood educators.

**Note:** A full summary of the Federal Budget 2022-23 for the early childhood education and care will be published tomorrow.

### **ENDS**

Early Childhood Australia CEO Samantha Page is available for comment. For interviews, please contact ECA on 0475 554 999.

For a downloadable PDF version of the media release, please click here:

[www.earlychildhoodaustralia.org.au/media/](http://www.earlychildhoodaustralia.org.au/media/)

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