

## **MEDIA RELEASE**

For immediate Release

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### **Government fails vulnerable families with child care reform**

The Australian Childcare Alliance (ACA) is extremely disappointed that the Federal Government and crossbench ignored this landmark opportunity to provide well balanced reform to child care subsidies and passed the Jobs for Families Legislation last night without ACA's recommended amendments.

"This is an extremely disappointing result for the sector." ACA President Paul Mondo announced today. "Our support of the Jobs for Families package was contingent on our recommendations being included in the new legislation, to better protect vulnerable and disadvantaged Australian children as well as ensuring an adequate safety net for many low income families."

ACA, in conjunction with representatives across the sector, worked tirelessly with government and the crossbench Senators to reinforce the need for the minimum level of access for children to be set at 15 hours to ensure maximum benefit of the learning opportunities at an Early Childhood Education and Care (ECEC) service.

Furthermore the ECEC sector is faced with informing parents that from July 1, 2018, if you are a household with one stay at home parent and earn above \$65,710 you will receive no subsidy at all to support access for their children in an early learning environment.

"This will be devastating to over 30,000 families who currently receive some level of subsidy support in this circumstance." Mr Mondo said.

"ACA acknowledges that the majority of working families will be better off under the proposed changes, however, our members take seriously the responsibility of providing opportunities for all children, particularly those from vulnerable and disadvantaged backgrounds."

"We cannot accept the actions of the Government and Crossbench Senators in ignoring the plight of these families in their back room negotiations. These amendments also provided an opportunity for the government to provide more access for ATSI children to assist with their own "Closing the Gap" targets" Mr Mondo explained.

"Standing up for these children, as well as those from low income families will continue to be a cause that ACA continues to fight for."

Now that the Jobs for Families package has been passed through the Senate, the ECEC sector will need to prepare for the transition period. Service providers will be challenged with a new set of processes and government software, whilst families will also need to understand how the new package will affect their rebates.

"These changes will affect more than 17,000 service providers across Australia and over 1.2 million families relying on ECEC services. It is important that owner/operators receive clear guidance during the transition period, which can in turn be passed on to parents or guardians." Mr Mondo said.

#### **Australian Childcare Alliance**

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ACA will remain engaged with the relevant Departments during the rollout of the new Family Assistance regime, to keep service providers and families informed of how it will affect them and what is required of them under the new system.

It is hoped that the Government and relevant Departments will better heed the advice of the sector through the implementation process over the coming months.

## ENDS

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## BACKGROUND

As the national peak body in the Australian Early Childhood Education and Care (ECEC) sector, the Australian Childcare Alliance (ACA) represents more than 2,500 members and approximately 360,000 families throughout Australia.

We work on behalf of long day care service owners and operators, predominantly private, to ensure families have an opportunity to access affordable, quality ECEC throughout Australia.

The ACA has existed in various forms for more than 30 years and has extensive experience in the fields of early childhood, education, training and management. Our experience means that we understand the critical role a quality ECEC program plays in the life of families and the importance of a viable long day care sector in preparing children for the best start in life and learning.

The ACA's national and state bodies work collaboratively with all levels of government, regulatory bodies and other stakeholders to ensure that families are supported into the future with a sustainable, affordable and viable sector, with a focus on the best interests of Australia's young children.

Over the past four years the ACA has been closely involved in the development of the JfF package, making submissions to the Productivity Commission Inquiry, supporting consultation with the sector and with families, and providing advice to the federal government on the proposed reforms via two Senate enquiries.

More recently, in September 2016 ACA provided a submission regarding this package to the Senate Employment and Education Legislation Committee, along with a joint submission developed in conjunction with Early Childhood Australia, Goodstart Early Learning and Early Learning and Care Council Australia.

Key items for review include the income threshold for the base entitlement, the activity test, and access to early learning for Aboriginal and Torres Strait Islander (ATSI) children.

The complete list of key recommendations is set out in the *ACA Response to Senate Inquiry Into Provisions of Jobs for Families Child Care Package Bill 2016*, available from the [ACA website](#).

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