

Media Release

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Childcare package good news for families

The Australian Childcare Alliance (ACA), the peak body for privately owned early childhood education and care services in Australia, has commended the Australian Government for committing to childcare reforms that stand to deliver better outcomes for children, families, and the economy.

ACA President Ms Gwynn Bridge said that the Australian Government should be commended for not only listening to the expert advice of the early childhood sector but more importantly committing to measures that will ensure children can access early childhood education in the majority of circumstances.

“We had grave reservations about a number of recommendations made by the Productivity Commission that would have seen most children of families not meeting the activity test withdrawn from early childhood services and led them to being considerably disadvantaged” Ms Bridge said.

The Australian Government has rejected the median ‘benchmark price’ model recommended by the Productivity Commission in favour of a new model which will see an hourly fee cap for families much more reflective of actual costs. The benchmark price effectively rolls all current payments, such as the Child Care Benefit (CCB) and Child Care Rebate (CCR) into a single, streamlined payment.

“The Australian Government has listened to our warnings about the long-term, serious impacts on children – not to mention the broader economy – should they be punished by their parents’ employment and financial circumstances” Ms Bridge said.

“They have unquestionably made the right move by rejecting the Productivity Commission’s ‘earn or learn’ approach by ensuring that children from low income families who don’t meet the activity test can access up to 24 hours of subsidised high quality education and care a fortnight”.

Ms Bridge said ACA will be carefully reviewing the budget papers on Tuesday night to assess outcomes for all families, but that it appears that this package is a real and substantial increase in investment for early childhood education and care.

ACA remains concerned about the pressure currently facing Australian families now and the impacts of scheduled reforms, such as the changes to child to educator ratios taking effect 1 January 2016, which will result in higher fees for families – well before the new Childcare Package takes effect.

“Over the past five years CCB has devalued, CCR has been frozen and fees have risen due to the implementation of the National Quality Framework.

ACA will continue to advocate for financial relief for families in the coming budget and to not leave families with no choice but to reduce their participation workforce further before this package is implemented.

“There is a long time between now and mid-2017 and families right across the country are telling us they need relief now,” Ms Bridge concluded.

Ends. For comment contact Gwynn Bridge - 0418764779

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