



**MEDIA STATEMENT
29 November 2015**

Another group of families to lose out under new childcare package.

Professional mothers join stay-at-home mums as the big losers under the government's new childcare package following today's announcement that the base childcare subsidy level will drop from 50 per cent to 20 per cent.

Jo Briskey, Executive Director of the nation's leading voice for families, The Parenthood, said it's disappointing that the government has again backed down on another childcare related promise – this time by stepping away from its promise to keep the base level childcare subsidy at 50 per cent, irrespective of income level.

"With each new childcare announcement we see greater complexity around eligibility, less flexibility and another group of families added to the worse off list– it's a long way from what this government originally promised Australian families" Ms. Briskey said.

"Stay-at-home mums, tick; parents with insecure work tick; parents in casual employment tick; now highly skilled and professional women have been added to the loser list.

"And the biggest losers of all – the children who miss out on accessing early learning because of the work patterns of their parents. Especially those children who we know benefit the most from early learning are the ones likely to see their time in early learning slashed in half

"The government keeps telling us so many families will find it much easier to afford childcare in 2017 but from the detail currently available we really just don't know, one slight change in your working or earning habits over the course of the year could in fact leave you with a much bigger childcare bill than you first thought."

Reports today regarding the new activity test, indicate parents in seasonal work or who work irregular hours won't be disadvantaged by the new activity test.

"The more we learn about the new activity test the more confusing and complicated it seems to be, but it's a good sign the government is remembering not all parents work the standard nine to five working week." Ms. Briskey said.

The Parenthood has maintained that the childcare rebate of 50 per cent be universally available to all families.

"The 50 per cent childcare rebate was always designed to be a productivity driver – to help make sure we could keep our best and brightest parents in the workforce, in particular highly skilled women – and those paying the most tax" Ms. Briskey said.

"We know it's women making the decision between staying at home and going back to work, it's mums weighing up how much of their income will go to childcare costs – no mum wants to see their already expensive childcare costs go up

"Full time childcare can cost more than \$39,000 a year even after subsidies, rivaling the cost of the most elite private school. Many mums, including those who are well paid, are already asking what's the point of going back to work.

"Yet the government seems determined to create another disincentive for professional women to have children and stay in work – first by removing access to paid parental leave, now by making childcare more expensive."

Access to subsidised childcare for grandparents was understood to be included in the government's previously announced childcare package during the May Budget; so it doesn't make sense that the government is now arguing the drop in subsidy level is needed to help pay for grandparents.

“It seems odd that we’re only just now finding out that the original package didn’t include funding to ensure grandparent carers kept their access to subsidised childcare – it seems like the then Treasurer got his sums wrong in the May Budget”. Ms Briskey said.

“It’s not turning out to be the big childcare reform parents had expected from this government. We hope it’s not too late to salvage what should be a remarkable chance to invest in an early education and care system that delivers more for children whilst also delivering more support for women in the workforce.”

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