

Media Release

For immediate Release

Childcare sector welcomes changes to Paid Parental Leave

3 February 2015

The Australian Childcare Alliance (ACA) has welcomed today's announcement by the Prime Minister, The Hon Tony Abbott MP regarding the redirection of funding to childcare from his now defunct signature Paid Parental Leave (PPL) scheme.

Ms Gwynn Bridge, President of ACA, said that childcare affordability continues to be the number one reason families withdraw from childcare and the workforce.

"Families are increasingly sensitive to the smallest of price changes and they are forced to choose between providing a quality start to life for their children and work," said Ms Bridge.

The most recent What Parents Want Survey conducted by ACA in July 2014 revealed that more than 1 in 3 parents would reduce their level of work with a moderate increase in fees of just 10 per cent.

"Fees have been increasing because of regulations and higher standards and the government subsidies for families are not keeping up and simply pushing families out of the workforce," said Ms Bridge.

Ms Bridge said families and childcare providers across Australia would be pleased with this announcement, but as with all government decisions, the devil is in the detail.

"It is important that the government now works with the sector to understand that making childcare more affordable is not a simple fix. Too many times in recent history, government of all persuasions have had good intentions for our sector but have ultimately delivered policies with unintended consequences for families.

"What governments haven't been able to get right is ensuring affordability for families. This government now has the opportunity to relieve pressure on the household budget as families choose to return to the workforce," concluded Ms Bridge.

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