



## POSITIVE POLICY More affordable child care

A Shorten Labor Government will deliver child care support that is fairer and will make early education and care more affordable for families.

Our package will give parents the early education and care relief they need now - from 1 January 2017.

Under Labor's plan:

- Low and middle income families will benefit from an increase to the Child Care Benefit of 15 per cent.
- Every one of the 813,000 families that rely on the Child Care Benefit will be better off - an increase up to \$31 per child per week, or up to \$1,627 per year, will provide much needed relief for the family budget.
- The annual cap on the Child Care Rebate will be increased from \$7,500 to \$10,000 per child, leaving families up to \$2,500 per child per year better off.
- 107,800 families who would otherwise reach the Child Care Rebate cap this financial year won't have to choose between paying double fees, or dropping out of the workforce.

Labor's plan will take pressure off the family budget, help grow the economy by keeping more parents in work and ensure that all children continue to have access to two days of vital early education.

Better early education and care is essential to a growing economy - in the short-term and the long-term. It's central to Labor's plan for fairer growth, real jobs and greater opportunities.

Families who rely on early education and care need a better deal now - and that's what Labor will deliver.

Labor's plan also includes:

- Cracking down on unjustified price increases - New transparency and accountability standards, along with extra powers to investigate unjustified price increases and stop price gouging.
- Supporting flexible Family Day Care - Investing an additional \$50 million to support improvements to the Family Day Care system, including flexible options for families and enhancing the education, investigation and compliance programs.
- Better services for Indigenous children and children in remote areas - Increasing support for children in Budget Base Funded Services by 15 per cent, in line with the increase to the Child Care Benefit.
- Valuing our early education workforce - \$150 million investment towards developing the early education workforce - developing a new Early Years' Workforce Strategy, and establishing a national Educator Professional Development Program. Labor will also make submissions to the Fair Work Commission proceedings in support of professional wages for early childhood educators.

Before the last election, the Liberals promised to make child care more affordable for Australian families. But over the last three years, child care fees have increased by over 20 per cent, and out-of-pocket costs have gone up.

According to research by the ANU's Centre for Social Research and Methods, one in three families would be worse off under the Liberals' proposed child care changes. Families won't be worse off under Labor's changes.

In government, Labor will not proceed with the Liberals' child care changes in their current form, because of the number of families that will be worse off, the unfair activity test and the impact on vulnerable children.

While we work with experts and the sector to formalise the very best long-term reforms, Labor recognises that families need action and support now - they should not have to wait any longer.

Labor has a proud history of early education reform, and we are driven to build on this platform. Early education and care isn't a form of babysitting - it is critical for parent's workforce participation and for children's development.

Only Labor will put families first.

For more information on Labor's plan for fairer and faster child care, [click here](#).



## **LABOR. WE'LL PUT PEOPLE FIRST.**

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These policies (including where relevant their costings from the independent Parliamentary Budget Office) were accurate at the time they were announced. Labor will publish the updated final cost of all policies and their combined impact on the Budget prior to election day.

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