



media release

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Child Care Subsidies and Family Tax Assistance – Robbing Peter to Pay Paul

The Federal Government’s proposal to increase childcare subsidies at the cost of cuts to family payments is short sighted and unnecessary, according to Victoria’s peak body for community-owned child care and education.

“There is substantial evidence that increased investment in education and care has significant economic and social benefits for families, communities and nations; therefore a new improved childcare package will pay for itself,” CCC Chairman Anne Kennedy said.

“This move by the Turnbull Government is short sighted and is ‘robbing Peter to pay Paul’,” Dr Kennedy said.

“Access to affordable quality education and care should not come at the expense of income cuts to others.”

Dr Kennedy said recent modelling by the Australian National University found that many families which might otherwise have benefited from the new childcare package would be no better off due to the loss of income as a result of the changes to family tax benefit.

“A less complex system of funding education and care in Australia is a priority and it is in the national interest for the child care package to be considered separately from the Family Tax Assistance changes,” Dr Kennedy said.

For further comment:

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