



Budget delivers for families, but more needed on early years workforce

25 October, 2022

The ALP's first Federal Budget in almost ten years reflects the need to support working parents but it falls short of resourcing a key driver of workforce participation – supporting educators to deliver affordable, high quality Early Childhood Education and Care (ECEC). The most significant change for the Early Childhood Education and Care (ECEC) sector is the government's Cheaper Childcare Legislation at a cost of \$4.7 billion over four years from 2022-23.

Under the new childcare subsidy rules families earning up to \$80,000 will now be eligible for a 90 percent CCS subsidy with families earning over \$80,000 given a CCS rate that tapers down by one percentage point for each additional \$5,000 of family income until it reaches zero per cent for families earning \$530,000.

“We welcome the increased subsidy that will support more children to access early childhood education. However, we are concerned in the absence of significant investment in the ECEC workforce including initiatives to retain current staff, early childhood services will not be able to expand to provide the additional early childhood education and care,” said Early Learning Association Australia's (ELAA) Acting CEO, Megan O'Connell.

The government is funding \$485.5m for new places in higher education including 1,469 for early education teachers. This is on top of delivering 180,000 fee-free TAFE and vocational education places, with extra support for participation of women and other disadvantaged groups.

“Whilst we are pleased to see additional places for early education teachers, much more is needed to build and retain our vital workforce. We look forward to further announcements from the government on how they will support wages in the ECEC workforce.”

The government is also expanding access to ECEC for First Nations children, providing access to 36 hours per fortnight regardless of parents' level of employment or study activity.

“ELAA welcomes the expanded access to early learning for First Nations children. We know early childhood education helps children learn and grow. Vulnerable and disadvantaged children benefit the most. We would welcome all children having access to at least two days of subsidised ECEC per week.”

Media Release



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Other initiatives funded in the Budget include funding to support the creation of an Early Years Strategy and an extension of paid parental leave incrementally from 18 to 26 weeks from 2026.

For more information or to arrange an interview with ELAA Acting CEO, Megan O’Connell, contact James Gardener 0413 483 182.

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ELAA is the national peak body for not-for-profit providers of early childhood education and care. Our vision is Excellence and Equity in Early Childhood Education and Care. www.elaa.org.au