

Coalition defends childcare policy after documents reveal areas hardest hit by changes ^[1]

Families in Blaxland, Fenner, Lingiari, Warringah, Wentworth, Rankin, Wakefield and Denison among those receiving less

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Is the glass half empty or half full? It may depend on which side of politics you ask about the upcoming childcare changes, due to come into effect in July, with Labor claiming 279,000 families will be worse off under the reforms, while the government points to nearly 1 million families benefiting.

Labor's early childhood education spokeswoman, Amanda Rishworth, released what she called a "secret hit list" on Sunday, after documents released under freedom of information revealed which electorates would be hardest hit by the changes.

Families in Blaxland, Fenner, Lingiari, Warringah, Wentworth, Rankin, Wakefield and Denison are among those identified as receiving less under the package, which will see a new subsidy paid directly to services, along with changes to the annual cap.

The level of childcare subsidy each family receives will be determined by the "activity level" of parents, or how much they work, study, or job hunt, the type of childcare service being used and the combined family income.

Children must also be up to date with their vaccinations for parents to be eligible for the subsidy, while at least one parent or guardian must meet residency requirements.

Rishworth said those changes would hurt some of Australia's most vulnerable families.

"So out-of-touch is the Turnbull government, it has targeted families in the lowest income bracket, with 88,000 families earning less than \$65,710 worse off under its changes," she said. "These are the families who can least afford to lose support.

"For those families on a single income over \$65,710 guaranteed access to 24 hours of subsidised access is now reduced to zero."

But the government said the only families that would be impacted were those who do not meet the activity test, by not working, studying or volunteering, those earning over \$350,000 or those who send children to centres that charge what it deems to be excessive fees.

Its analysis claims that about 70% of Australian families receiving the subsidy will receive more, with between 15% and 27% receiving less, depending on what state they lived in. Under that reading, Western Australia was the worst off, with 67.55 of families receiving more, 5% seeing no change and 27.5% receiving less.

"Our plan supports families that need it the most by better targeting subsidies to people earning the least and to families working the most," the education minister, Simon Birmingham, said. "It is estimated that the package will encourage more than 230,000 families to increase their workforce participation.

"We make no apologies for increasing childcare subsidies to those Australians working the hardest but doing it the toughest, to allow them to work more hours or take more of their wage home each week."

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