

# Beazley pledges boost for childcare <sup>[1]</sup>

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## AVAILABILITY

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## EXCERPTS

Federal Opposition Leader Kim Beazley has promised to make wholesale changes to childcare if elected next year, starting with 25,000 new places, improved affordability and better quality of care.

Releasing Labor's early childcare blueprint, Care For Kids, in Sydney on Friday, Mr Beazley vowed to reform taxes and invest more in centres and staff.

The new policy builds on measures announced in Mr Beazley's budget reply speech in May, which included a \$200 million pledge to create 260 new childcare centres on primary school grounds and other community land.

Under Labor's new childcare plan, employers who provide childcare would be eligible to fringe benefit tax exemption and be entitled to claim business tax deductions.

Eligibility for the tax breaks would be extended from the current limit of children aged under six to children up to 15 years-old, Mr Beazley said.

The blueprint also allows employees using employer-provided childcare to salary-sacrifice their fees.

"Under the Howard government, unless childcare is provided on business premises, for kids under six, an employer is liable to pay fringe benefits tax - a whopping 46.5 cents - on every dollar," Mr Beazley said.

"This tax disincentive means employers really can't invest in childcare.

"So I announce today that a federal Labor government will establish targeted new tax breaks to expand employer-provided childcare."

Mr Beazley also focused his attention on allowing parents to choose what is best for their family when it comes to the care of their children.

"If women want to participate in the workforce, they've got to be given that chance to do it," he said.

"But if women decide they don't want to be in the workforce, well that's a valid decision, too."

Australian Bureau of Statistics figures show Australia's workforce participation rate for mothers is one of the lowest of any comparable country.

Only 45 per cent of mothers with children under six do paid work in Australia, compared to other modern economies such as the United States, where the rate is more than 60 per cent.

Mr Beazley said under a Labor government parents would be able to request two years unpaid maternity leave, and have the right to return part-time or with flexible hours.

He also pledged \$2 million a year to the Australian Breastfeeding Association, including a 24-hour phone line to help support new nursing mothers.

"I firmly believe that the work a mother does in the home with her children is easily as important, as demanding, as satisfying and as valuable as the work anyone in Australia does in an office or on a factory floor," he said.

The Labor leader reiterated his promise to boost childcare workers numbers by offering childcare trainees a skills account of \$1,200 per year for up to two years.

He also put forward a proposal to help retain existing staff, by giving experienced childcare workers the opportunity to undertake secondments into childcare policy roles at all levels of government.

The Taskforce on Care Costs (TOCC) welcomed the blueprint, saying it had taken the challenge to introduce sustainable childcare solutions to a new level.

**Region:** Australia and New Zealand <sup>[5]</sup>

**Tags:** governments <sup>[6]</sup>

policy <sup>[7]</sup>

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