

Vouchers urged to cut child care costs [AU] ^[1]

Author: Hudson, Phillip

Source: Melbourne Age

Format: Article

Publication Date: 29 Aug 2004

AVAILABILITY

See text below.

EXCERPTS

Working parents could cut their child care bills by up to \$128 a week and more women would be able to return to the workforce if the Federal Government introduced a child care voucher system, according to the Australian Industry Group.

The voucher system, which is used in Britain and is being considered by the Howard Government, would boost tax breaks for employers to pay for child care for their staff.

Australian Industry Group chief executive Heather Ridout said the availability of affordable child care was one of the most critical factors for families trying to juggle work and family demands, and ranked it as important as paid maternity leave.

Ms Ridout said the tax break should be made easier for all employers to use by allowing them to give their staff a voucher to pay for child care at any centre. She said it would give parents with non-school-aged children more choice and flexibility in returning to work and the option of using a child care centre of their choice. "With appropriate taxation incentives, employers would be better able and more likely to provide child care assistance to their employees," Ms Ridout said. "The issue fits very neatly within the work and family balance agenda that governments, opposition parties, unions and other bodies are encouraging employers to embrace."

Research by the National Centre for Social and Economic Modelling, commissioned by hotel group Accor, estimates the scheme could be worth between \$98 and \$128 a week to a double-income family with an annual income of between \$60,000 and \$100,000.

Ms Ridout welcomed the increased funding in the May budget for before- and after-school child care places and early intervention programs, but noted there was high demand and a shortage of places for all-day child care. The existing tax break for employers to pay for child care was too restrictive.

"Few employers are in a position to access such an exemption, as establishing a workplace child care facility involves enormous cost and risks. It is not the core business of most employers and few have the necessary expertise or desire to run a child care facility," she said.

Ms Ridout argued the scheme would help tackle the problem of the ageing population, boost the Government's tax take, might help increase the fertility rate and gave families savings, choice and flexibility.

- reprinted from the Melbourne Age

Related link: CRRU factsheet: Child care vouchers -- What do we know about them? ^[2]

Region: Australia and New Zealand ^[3]

Tags: affordability ^[4]

funding ^[5]

privatization ^[6]

Source URL (modified on 27 Jan 2022): <https://childcarecanada.org/documents/child-care-news/04/09/vouchers-urged-cut-child-care-costs-au>
Links

[1] <https://childcarecanada.org/documents/child-care-news/04/09/vouchers-urged-cut-child-care-costs-au> [2]

<https://childcarecanada.org/documents/online-documents/03/04/child-care-vouchers-what-do-we-know-about-them> [3]

<https://childcarecanada.org/category/region/australia-and-new-zealand> [4] <https://childcarecanada.org/category/tags/affordability> [5]

<https://childcarecanada.org/category/tags/funding> [6] <https://childcarecanada.org/category/tags/privatization>