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## **Education union welcomes reform to childcare parental activity test**

The Independent Education Union welcomes the federal Labor government's announcement that it will scrap the childcare parental activity test if re-elected in 2025.

The IEU, which represents teachers in the early childhood education and care sector, believes every child should have access to high-quality early learning.

Currently, the activity test requires parents either to be employed or engaged in other approved activities – such as job-seeking, volunteering or studying – to access the federal childcare subsidy. If Labor is re-elected in 2025, every family earning less than \$533,280 per year will have access to three days per week of subsidised early learning for their children.

If they don't satisfy the activity test, parents currently cannot access any subsidised childcare once their combined income is above \$83,280 per year. Both parents must be working, seeking work, volunteering or studying for at least eight hours per fortnight to access subsidised childcare if their income is above this amount.

Consultancy firm Impact Economics estimates that the activity test means 126,000 children from the lowest-income households are missing out on early education. (The activity test does not apply to Aboriginal and Torres Strait Islander families.)

"Abolishing the activity test means many more children would have access to vital early childhood education regardless of their parents' employment status," said IEUA NSW/ACT Branch Secretary Carol Matthews.

Scrapping the activity test would remove a barrier for parents who are looking for work and those who don't have regular hours of work. "The unfair parental activity test means parents can only access childcare if they meet the requirements – but they can't really look for work without access to childcare," Matthews said.

A Productivity Commission Report released in September stated that children's access to early education should not be dependent upon their parents' employment status and that the activity test disproportionately affects the children who stand to gain the most from early learning.

"Research demonstrates that high-quality early learning provides positive outcomes for children's cognitive development and their language and social skills, as well as the transition to school and lifelong learning," Matthews said.

"Good early childhood education is an effective way of addressing social exclusion and children from disadvantaged backgrounds are the ones who stand to benefit most."

### **Contacts**

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*The IEUA NSW/ACT Branch represents over 32,000 teachers, principals and support staff in Catholic and independent schools, early childhood centres and post-secondary colleges.*

**Authorised by Carol Matthews, IEUA NSW/ACT Branch Secretary**