

MEDIA RELEASE – 2 MAY 2020

**TREASURER’S PROPOSAL TO ABOLISH NSW PAYROLL TAXES
WILL SAVE OVER \$150M IN CHILDCARE COSTS ANNUALLY**

The Australian Childcare Alliance (ACA) NSW has warmly embraced the proposal to abolish NSW Payroll Taxes from NSW Treasurer, the Hon Dominic Perrottet MP. Especially during the COVID-19 pandemic, the removal of such structural disincentives to employment will help save jobs and enable early childhood education and care services to recover.

“Changes to NSW’s payroll taxes has been an issue we have been advocating for with the NSW Government for especially the last 4 years. And now more than ever would thousands of childcare centres need such tax reform,” said Mrs Lyn Connolly, President of the Australian Childcare Alliance (ACA) NSW.

The most recent and repeated request about NSW Payroll Tax relaxation was on 30 March 2020. (See <https://nsw.childcarealliance.org.au/news/790-how-the-nsw-government-can-further-assist-over-5-600-early-childhood-education-and-care-services-and-over-66-000-employees>.)

It is conservatively estimated that NSW Payroll Taxes collect over \$150 million annually from 60% of the early childhood education and care sector, yet up to 40% of the same sector are legally not required to contribute any NSW Payroll Tax.

“We greatly appreciate Treasurer Perrottet’s proposal to abolish NSW Payroll Taxes as it will directly help us to save jobs, help protect the ongoing viability of childcare centres that support children and families, and finally fix an inherent unfairness that has existed for decades,” said Mrs Connolly.

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Australian Childcare Alliance (ACA) NSW (www.nsw.childcarealliance.org.au) is the peak body for privately owned early childhood education and care services in NSW, numbering approximately 1,600 childcare services. ACA NSW provides advocacy, policy and regulatory and business support and advice, member services and professional development for members and their staff across the state.

**For further media inquiries, please contact
ACA NSW President Lyn Connolly on 0425 225 275
ACA NSW CEO Chiang Lim on 0427 277 299**