

Senate Standing Committee on Education and Employment - Education

**QUESTIONS ON NOTICE
Budget Estimates 2014-2015**

Outcome 1 - Early Childhood Education and Care

Department of Education Question No. ED0098_15

Senator Hanson-Young provided in writing.

Question

CCB and CCR

1. How much does the Government expect child care prices to rise each year over the forward estimates? Please provide a break down per financial year. 2. How many families will be affected by the CCB threshold freeze? 3. How many families will be affected by the CCR freeze at \$7,500? 4. What modelling has been done on the impact of these changes will have on the out-of-pocket expenses for families accessing approved care?

Answer

1. The following table provides the department's response.

Table 1: Forecast growth in fees as at Budget 2014-15, per cent

Care type	2014-15	2015-16	2016-17	2017-18
Fee growth	8.8	6.9	6.9	6.5

Source: Department of Education

2. It is estimated that around 500,000 families will be impacted each financial year by maintaining the Child Care Benefit eligibility income thresholds for three years.

3. The following table provides the department's response.

Table 2: Estimated number of families reaching the CCR annual limit

	2014-15	2015-16	2016-17
Families reaching the CCR limit	74,400	93,500	114,400

Source: Department of Education

4. The department's model does not include the out-of-pocket costs of families accessing approved care.