

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2015-16 Budget Estimates Hearings

Outcome Number: 2.4 Support for Child Care System **Question No: SQ15-000428**

Topic: Child Care Safety Net

Hansard page: Written

Senator Lines, Sue asked:

With reference to the proposed child care safety net:

- 1 - What level of 'top up' subsidy will be provided to children at risk? In the costed model announced in the Budget, how was the 'top up' defined? Will it be a percentage of the benchmark price? In dollar terms, what will the 'top up' subsidy be?
- 2 - Will it be possible for there to be a gap between the 'top up' subsidy and the cost of care for at risk children? Who will meet that gap?
- 3 - How are children going to be deemed at risk under the proposed new system?
- 4 - How many families and children in each year are expected to benefit from this program? How does this compare to the number that would benefit from Special Child Care Benefit Children at Risk?
- 5 - Will the overall funding for this new program in 2017-18 be more or less than the expected expenditure on Special Child Care Benefit Children at Risk in 2016-17? What are the overall, per child and per family expenditure levels in each program expected to be in those years, and if they differ, why?
- 6 - How many children have received subsidies on the basis of being at risk over the last five years? How many children are expected to be declared at risk across the forward estimates?
- 7 - Will there be a cap on expenditure or places under this new program? What will that cap be?

Answer:

- 1 - The Additional Child Care Subsidy (ACCS) is a top up to the Child Care Subsidy and will provide additional fee assistance (up to 120 per cent of the hourly fee cap) to assist children at-risk of serious abuse or neglect irrespective of family income or activity tests.
- 2 - For services that charge higher fees than what is supported through the ACCS, there are a range of options that could assist in meeting any gap payment. These services may be eligible for the Access and Affordability Support element of the Community Child Care Fund. Services could also choose to charge a lower fee for these families, or State and Territory authorities could contribute towards the gap fee.
- 3 - The Department is consulting on eligibility through the Regulation Impact Statement process.
- 4 - It is expected that approximately 150,000 families and 210,000 children per year will be assisted through the ACCS. As the ACCS and Special Child Care Benefit are different programmes they are not directly comparable.
- 5 - As the ACCS and Special Child Care Benefit are different programmes their budgets are not directly comparable.
- 6 - Please refer to the answer to Budget Estimates question SQ15-000426 for the number of children who have received subsidies on the basis of being at risk over the last five years. To answer this question for the forward estimates would require an unreasonable diversion of resources.
- 7 - ACCS is a capped annual appropriation.