

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: SQ15-000476

Topic: Families and children worse off under Child Care Subsidy

Hansard page: Written

Senator Lines, Sue asked:

How many families and children will be worse-off under the Child Care Subsidy as a result of a reduced number of hours of access to subsidised child care, compared to the current system? Please provide this figure nationally and break it down to show:

- 1 - The income distribution of those families that will be worse off - in \$10,000 income bands up to \$250,000 per year;
- 2 - The number of families and children that will be worse off in each state and electorate;
- 3 - For families that will be worse off, the average hours per week and year that they will be worse off under the Child Care Subsidy?

Also provide the above information taking into account the impact of the Government's proposed Family Tax Benefit changes.

Answer:

The Child Care Subsidy is designed to provide assistance with the cost of child care for parents engaged in work, training or study or other recognised activity. Families who undertake at least four hours of activity per week will be eligible for up to 18 hours of subsidised child care per week. This will assist those returning to work in a graduated manner. Parents who do more than eight hours of activity per week will be eligible for up to 36 hours of subsidised child care per week; and once parents do more than 24 hours per week they will be eligible for up to 50 hours of subsidised care per week.