

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

2015 - 2016

Department/Agency: Treasury

Question: AET 3666-3675

Topic: Childcare Package

Reference: written - 29 February 2016

Senator: Wong, Penny

Question:

3666. Has the Department been involved in modelling about the impacts of the Government's child care changes?

3667. Was the Department involved in preparing information contained in the Education Minister's media release from January 30, "One million families to benefit from child care reforms?" (available at <http://www.senatorbirmingham.com.au/Media-Centre/Media-Releases/ID/2935/One-million-families-to-benefit-from-child-care-reforms>) Specifically, did the Department assist with preparing the data on which families will be better or worse off, as per the media release?

3668. For the following income ranges, can the Department advise:

- a. how many families will be worse off;
- b. how many children will be worse off because of changes to the activity test under the Government's child care package?
 - < \$65,710
 - \$65,710 – \$170,710
 - \$170,710 – \$250,000
 - \$250,000 +

3669. For the following income ranges, can the Department advise:

- c. a) how many families will be worse off;
- d. b) how many children will be worse off because of the benchmark price under Government's child care package?
 - < \$65,710
 - \$65,710 – \$170,710
 - \$170,710 – \$250,000
 - \$250,000 +

3670. Has the Department undertaken any modelling of behavioural changes been modelled as part of working out the costing and impacts of the Government's child care package?

3671. On 23 October 2015, the Prime Minister said in a media release that "Our Jobs for Families package will encourage an estimated 240,000 families to increase their involvement

in paid work, including almost 38,000 jobless families.” (release available at <http://www.malcolmturnbull.com.au/issues/apply-now-for-the-nanny-pilot-programme>)

- a) Was Treasury involved in calculating these figures?
- b) Has other workforce participation or government tax revenue calculations been conducted in relation to the child care package? Please provide.
- c) Has there been any assessment of how many families might be discouraged from returning to the workforce because the child care changes will make them worse off?

3672. If the definition of ‘volunteering’ under the activity test were to be altered so that a larger or smaller number of children and families might have access to subsidised child care, would this require the costing of the reforms to be altered?

3673. If the definition of volunteering needed to gain access to child care was very ‘light touch’ would the package cost more than it does now?

3674. Has Treasury costed any alternative definitions of volunteering?

3675. What were those alternatives?

Answer:

Treasury notes that the Department of Education and Training has policy responsibility for child care. Questions relating to policy design or modelling for the 2015-16 Budget child care changes should be directed to the Department of Education and Training.