

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

2014 - 2015

Department/Agency: Treasury

Question: BET 20

Topic: Childcare Subsidy

Reference: Hansard page no. 73 - 01 June 2015

Senator: Canavan, Matthew

Question:

BET 20. Senator CANAVAN: Can I just clarify a few things? The childcare subsidy costs \$3½ billion—is that right?

Ms Croke: The additional—

Senator CANAVAN: Over the forward estimates.

Ms Croke: Yes—\$3.5 billion in additional childcare assistance.

Senator CANAVAN: I sometimes hear a figure of \$4.4 billion. What is the extra \$900 million—

Ms Croke: The additional money was the two-year national partnership money for access to preschools. The two things were part of the families package.

Senator CANAVAN: Sorry—what were the two other things?

Ms Croke: The \$3.5 billion is the additional childcare assistance and the \$843 million, which is where you get to the \$4.4 billion, was a two-year national partnership with states and territories for preschool access.

Senator CANAVAN: So it is only those two—I thought you said there were two more. But it is only those two which make it the \$4.4 billion.

Ms Croke: Those two components.

Senator CANAVAN: Is the nanny program trial included in the \$3.5 billion?

Ms Croke: Yes, that is right.

Senator CANAVAN: And the \$3.5 billion broken up over the forward estimates—is that possible? Do you have that? I presume it is only in the last two years anyway.

Mr Raether: You would have to go to Budget Paper No. 2—

Senator CANAVAN: Yes. There are just lots of different packages there. I suppose I just want the \$3.5 billion divided up. You can take that on notice if you want—I do not need it right now.

Mr Raether: On page 154 is the main measure—the workforce participation—

Senator CANAVAN: Is that the whole \$3.5 billion, or is it just part?

Mr Raether: There are elements of it—

Senator CANAVAN: Perhaps you could take it on notice for me.

Ms Croke: It would be better for the Department of Social Services, which has policy responsibility for child care.

Senator CANAVAN: Given that it is a costing issue, could you still take that on notice for me here. As I am a permanent member of this committee it is hard for me to get to others, particularly with the new rules. Would that be too much to ask? Then if you need to consult with your colleagues, that could be possible?

Mr Ray: We will do that for you.

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Answer:

BET 20. The additional \$3.5 billion in child care assistance announced in the 2015-16 Budget is comprised of:

Expense (\$m)

Measure:	2014-15	2015-16	2016-17	2017-18	2018-19	Total
Child Care - Workforce Participation Stream	0.8	140.6	276.9	1,309.1	1,472.2	3,199.5
Child Care Safety Net	0.0	8.3	78.7	135.5	105.3	327.7
National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care	0.0	0.0	2.6	1.3	0.0	3.8
Child Care Assistance Total	0.8	148.8	358.1	1,445.8	1,577.5	3,531.0

Note: Discrepancies in the table between the total and sums of components are due to rounding.