

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Additional Estimates 2015 - 2016**

Outcome: Early Childhood and Child Care

Department of Education and Training Question No. SQ16-000165

Senator Lines, Sue provided in writing

Activity test - impact on workforce participation

Question

Has any assessment been undertaken of the impact the additional complexity of the proposed activity test will have on workforce participation and attachment?

Answer

To minimise unnecessary burden, families will continue to self-declare the number of hours they participate in recognised activities (as they do currently for both Child Care Benefit and Child Care Rebate) to determine the amount of subsidised care they are entitled to. Where circumstances change that would cause individuals to move between steps in the activity test they will need to notify Department of Human Services of these changes. The new IT system will include online services and apps to make it easier for parents to notify the Department of Human Services.

Closer alignment between the number of hours of subsidised care and the combined amount of work, training, study, volunteering or other activity undertaken will provide a stronger incentive for parents to increase their workforce participation if they want to access more subsidised child care.