

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. SQ16-000173

Senator Lines, Sue provided in writing

Impact of removing \$500 million from package

Question

The Government first said that an average family would be \$30 a week better off after they announced the child care package in May 2015. Since that time, the value of the package has shrunk from \$3.5 billion over the forwards to \$3 billion over the forwards. Is the \$30 a week assertion still correct? Has the removal of \$500 million from the package made any difference to this calculation? Why not?

Answer

In a media release dated 10 May 2015, the Government announced that upon implementation in 2017-18, the *Jobs for Families* Child Care Package would result in families on incomes between \$65,710 and \$170,710 would be around \$30 per week better off.

The reduction in costs of the Package was as a result of reducing the level of subsidy provided to families on incomes higher than \$250,000. Changes made to the Child Care Subsidy taper rates will not affect families on incomes between \$65,710 and \$170,710.