

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. SQ16-000179

Senator Lines, Sue provided in writing

Access to Affordability Support program

Question

With reference to the decision in MYEFO to cut \$35 million from the Access to Affordability Support program:

- a. Will there be any replacement support for low income families in high cost areas?
- b. How many families will be worse off as a result?
- c. Will this have any impact on workforce participation, or on the likelihood that families will remain in the workforce?

Answer

The Access to Affordability Support element of the Community Child Care Fund (CCCF) was not retained as a result of feedback received during Regulation Impact Statement (RIS) consultations. This element was seen by the sector as being administratively complex, which would result in a low take up of services, with few families being assisted.

- a. Low income families accessing child care in high cost locations will be assisted under the *Jobs for Families* Child Care Package through the Child Care Subsidy. Families on incomes of \$65,710 per annum or less will be entitled to the maximum rate of subsidy (85 per cent, up to the hourly fee cap) under the Package. Further support will be available through the Additional Child Care Subsidy, which will provide additional assistance for children at risk of serious abuse or neglect, families experiencing temporary financial hardship, grandparent primary carers, low income families transitioning to work, and families with incomes of \$65,710 or less who do not meet the Child Care Subsidy activity test.
- b. The Access to Affordability Support element was targeted at services not families.
- c. This is a small element of the total package and unlikely to have an impact on workforce participation.