

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Additional Estimates 2016 - 2017**

Outcome: Early Childhood and Child Care

Department of Education and Training Question No. SQ17-000066

Senator Collins, Jacinta asked on 01 March 2017, Proof Hansard page 86

Difference between cost of the 2016 and omnibus legislation

Question

Senator JACINTA COLLINS: So, what figure can we agree is the relevant one there? Is it less than \$1.5 billion, is it?

Senator Birmingham: The additional cost of the 2016 legislation?

Senator JACINTA COLLINS: No. The question is: between the time the changes were last introduced into the parliament in 2016 and when they were introduced as part of the omnibus bill this year, by how much was their expected cost reduced?

Ms Wilson: I can take that on notice, but just to give you some indication, my understanding is that it was about \$3.1 billion or \$3.2 billion and then it went down to \$1.6 billion.

Answer

When the Family Assistance Legislation (Jobs for Families Package) Bill 2015 was introduced into Parliament in February 2016, the estimated net cost of the Australian Government's changes to child care was \$3.1 billion over four years from 2015–16.

The net cost of the Government's child care changes included as part of the Omnibus legislation introduced to Parliament in February 2017 is estimated at \$1.6 billion over four years from 2016–17.

The two estimates above are not comparable because, in the intervening period:

- the Department of Education and Training improved its modelling of child care estimates, which includes the outcomes of recent compliance actions
- the department updated growth and Treasury parameters, and
- the relevant four year period changed.

There has been no change to parent entitlements as a result of the modelling changes or additional year of the forward estimates.