

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. SQ17-000135

Senator Hanson-Young, Sarah provided in writing

Also refer to previous hearing Question No. SQ15-000923

Activity Test - families 'self report'

Question

The Government has been at great pains to point out that families will be able to 'self report' their activity and won't have an increased compliance burden. How will that work? How will that reporting system interact with the building of a new IT system to double down on compliance?

Answer

- Families will be able to self-report their activity to the Department of Human Services (DHS) over the phone, in person or through the new IT system. The IT system will enable families to interact with DHS using smart technology which will both simplify this process and reduce the need for families to self-report over the phone or in person.

The activity test has three broad steps and families will only need to report if there is a significant change which causes them to move to another step of the activity test.

- Families are best placed to know what activities they are undertaking and the Australian Government has a high level of trust in them reporting this accurately. Families would generally obtain little benefit from 'over reporting' their activity as this would simply qualify them for more subsidised child care than they need, for which they will have to make a co-contribution.

To ensure compliance with the activity test, some families will be required to participate in random spot checks to provide evidence of their activity, such as documentation from their employer/organisation or doctor.

In addition to the random spot checks, the Government will investigate any allegations or suspicions of deliberate fraud in relation to families' reported activity.