

Senate Standing Committee on Education and Employment - Education

**QUESTIONS ON NOTICE
Budget Estimates 2014-2015**

Outcome 1 - Early Childhood Education and Care

Department of Education Question No. ED0222_15

Senator O'Neill provided in writing.

Question

Child Care Benefit income indexation

The department has estimated that over 500,000 families will be impacted by the proposed budget changes to Child Care Benefit income indexation. Can the department provide the breakdown of how this figure was calculated? What are the estimates for the number of families impact and the amount per annum in reduction of child care benefits for each year of the forward budget estimates for families on different incomes (say \$41,902 to \$55,00; \$55,000 - \$75,000; \$75,000 - \$95,000; \$95,000 - \$115,000 with one and two children in care for 50 hours per week) as a result of the freeze on CCB indexation?

Answer

The estimated number of impacted families for the 2014-15 Child Care Benefit Budget measure was calculated by estimating the decrease in the amount of Child Care Benefit families will receive and the increase in the amount of Child Care Rebate families will receive over the next four years in the department's model.

The reduction in Child Care Benefit by income ranges cannot be provided as a family's Child Care Benefit entitlement depends on a family's individual circumstances including their family income, the number of children in care, the type and amount of care used and the parent's work, training or study commitments in a week.