

**Senate Standing Committee on Education Employment and Workplace  
Relations**

**QUESTIONS ON NOTICE  
Additional Estimates 2012-2013**

**Outcome 1 - Early Childhood, Working Age and Indigenous Participation**

**DEEWR Question No.** EW0974\_13

**Senator Nash asked on 14 February 2013, Hansard page 24**

**Question**

**Child Care Rebate**

{a} Senator NASH: I have questions on childcare rebate. I do not think these cross over from the couple that Senator Bilyk asked, but just stop me if they do. In the last quarter, how much has been paid out in the childcare rebate? Ms Paul: I do not think that crosses over. Ms Taylor: This is one of those issues where we run into the data and the lag from parents claiming. Parents have a period of time to claim childcare rebates. Senator NASH: All right. Would you like to give me the last definitive assessable quarter? Ms Taylor: Yes. I will take that on notice if I can.

{b} Senator NASH: Is that the average fortnightly payment? Ms Taylor: No, sorry, that is the average annual. It is not \$2,000 a fortnight. Senator NASH: I thought, wow, things have really changed since I last looked at this closely. I might have some more kids! Ms Taylor: It is exceptional quality child care. Senator NASH: So a fortnightly payment? Ms Taylor: I will take on notice the fortnightly payment.

{c} Senator NASH: Thank you; that is helpful. With the payment of the rebate, which obviously can go back to the centre, is there anything that precludes a centre from having that as a condition of providing child care for parents? To be simple, can a childcare centre say, 'If you want your children to come here, you have to agree to the rebate coming directly to us'? Is there anything precluding that? Ms Taylor: From our point of view, there would not be anything that precludes that. That is a matter between the parent and the centre. It would be up to the parent to agree that, and of course if it is a requirement of the centre— Senator NASH: So there is nothing legislatively or in the regulations to preclude that? Ms Taylor: No. Ms Paul: I do not think I have come across that. The parents at the moment have the choice. They have a variety of choices, as you are well aware. They can do it on an annual basis, they can do it quarterly, they can do it fortnightly, they can do it to the service. I do not think we know of a circumstance where a service has required it. I am not quite sure how that interacts with the choice issue, so I think we would probably want to have a think about it. Senator NASH: If you could take that on notice and come back with a response. Ms Paul: Yes, sure. We will have a think about it.

{d} Senator NASH: Is it 15 per cent of the rebate that the government withholds to overcome any of those overpayment type issues? At what point does that 15 per cent that is withheld go to the parents? Ms Taylor: It is a reconciliation at the end of the financial year, and of course based on the parents' income at that time. Senator NASH: The pay increases, the Big Steps, I think it is called: how many staff would any calculations be based on? Ms Taylor: I am not aware of what they would base that on. If you looked at—as we were talking about—the entire workforce, the data

from the workforce census, whether they would look at a particular sector I do not know. Senator NASH: Could you just take that on notice insofar as you can? I know it is probably not directly, but insofar as you can, if you could give us some information? Ms Taylor: Sure.

{e} Senator NASH: Under the pay increase proposal, have you had any involvement in ascertaining how much, say, a cert III educator would get in an increase, or is this just outside of your bailiwick? Ms Taylor: It is a bit outside of what we would do in looking at what a cert III receives. Because it is part of a modern award, those rates are set by the Fair Work Commission as part of that. Can I take that on notice, because I just want to be accurate about it? Senator NASH: All right. Could you take on notice a diploma qualified educator as well as the cert III? The ECEC survey comes out annually, doesn't it? Ms Taylor: Yes.

{f} Senator NASH: Did I ask you how much has been budgeted for the next one that you said you were going to do? Ms Taylor: That was for the next one. Senator NASH: How does that compare to the one that was done in 2010? Ms Caldwell: I would need to take that on notice, but I think it compares well because we have an established methodology. The 2010 census was the first time the census was run. Senator NASH: Are you saying that the funding might actually be less for this one? Ms Caldwell: We will take

## **Answer**

a) Estimated Child Care Rebate expenditure for the March quarter 2012 was \$452.3 million.

b) Data taken from the March quarter 2012, shows that the estimated average fortnightly Child Care Rebate entitlement was \$100 per child and \$132 per family.

c) The family assistance law provides for Child Care Rebate (CCR) payments to be made to families to help with the cost of child care. There are four ways families can receive CCR:

- direct to their child care service paid fortnightly (and in many cases weekly);
- direct to their bank account paid fortnightly (and in many cases weekly);
- direct to their bank account paid quarterly;
- direct to their bank account paid annually as a lump sum at the end of the financial year (only available when families claim Child Care Benefit as a lump sum).

Families claim child care payments and elect their payment options through the Department of Human Services. There is no family assistance law impediment to preclude a service from making a condition of providing care that a family's CCR payment must be made directly to the service.

d) A copy of the Professional Wages Proposal for Early Childhood Education and Care United Voice 2013 submission is at [www.bigsteps.org.au/sites/default/files/docs/2013%20ECEC%20Budget%20Submission%20A4%20%28Email%2BWeb%20Version%29.pdf](http://www.bigsteps.org.au/sites/default/files/docs/2013%20ECEC%20Budget%20Submission%20A4%20%28Email%2BWeb%20Version%29.pdf).

e) The Fair Work Commission is responsible for setting the minimum rates of pay for early childhood educators under the Children's Services Award 2010. The minimum rate of pay for a Certificate III qualified educator is \$18.58 per hour and the minimum rate of pay for a Diploma qualified early childhood educator is \$21.89 per hour. Educators may also be covered by an enterprise agreement.

f) The budget for the 2013 Early Childhood Education and Care Workforce Census is \$1.286 million over the 2012–3 and 2013–14 financial years compared to \$1.289 million for the 2010 collection.