

Senate Standing Committee on Education and Employment - Education

QUESTIONS ON NOTICE Additional Estimates 2013-2014

Outcome 1 - Early Childhood Education and Child Care

Department of Education Question No. ED0305_14

Senator Lines provided in writing.

Question

Out of pocket child care costs; and hourly cost of child care

1. The Key Performance Indicators in Table 2.1.2A of the DEEWR Budget Statements – Outcomes and performance show that the department's KPI is the percentage of child care out-of-pocket expenses as a proportion of weekly disposable income after child care subsidies. Why is the department now publishing hourly costs of child care before government assistance instead of publishing the data on out of pocket expenses? 2. I refer to the department's comment during additional estimates hearings that out of pocket child care costs are provided by the department. Can the department provide the link to the data on out-of-pocket child care costs? 3. Is the measurement of hourly rates for child care before government assistance now part of the department's new KPI? 4. How will the department assess its performance against the KPI of percentage of out-of-pocket expenses? Has the government set a target? 5. Can the department provide figures on out of pocket expenditure for various disadvantaged cohorts such as families of children with disabilities, aboriginal or Torres Strait Islander families, single parent families or regional and remote families? 6. Can the department provide hourly cost figures for family day care over the same period?

Answers

1. The Department continues to publish data on out of pocket costs as well as hourly fees by service type.
2. Information on out of pocket costs is available in the Child Care and Early Learning in Summary publication, which is available from the mychild website <http://education.gov.au/child-care-and-early-learning-summary>
3. No, the department has not changed its KPI's.
4. The Portfolio Budget Statements indicate that a Departmental KPI is that out of pocket costs for child care are within the range of 8 to 12 per cent of weekly disposable income. The Department will report out of pocket costs against this KPI.
5. Out of pocket costs are not affected by demographic factors such as Indigenous status, disabilities or remoteness. They are derived based on scenarios using a number of assumptions, covering:
 - the average national fee for 50 hours of long day care
 - disposable family income at specific income levels
 - the amount of child care benefit and child care rebate available for families on those income levels paying the average fee for 50 hours of care
6. The average hourly fee for Family Day Care in the September quarter 2007 was \$5.00 and in the June quarter 2013 it was \$7.30.