

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

**QUESTIONS ON NOTICE
Budget Estimates 2013-2014**

Outcome 1 - Early Childhood, Working Age and Indigenous Participation

DEEWR Question No. EW0233_14

Senator McKenzie asked on 5 June 2013, Hansard page 93

Question

Child Care Rebate - indexation freeze

Senator McKENZIE: Thank you. With the indexation pause and the last line, 'No family will see a reduction in payments as a result of this measure,' have you modelled the indexation freeze on workforce participation of women? Ms Paul: This is the cap at \$7,500 for CCR? I would have to take that on notice. I think that is probably the best way of doing it. Were you here earlier when we gave some evidence on the impact? It did not go precisely to that question.

Answer

No. The Child Care Rebate continues to support parents' workforce participation by providing 50 cents in the dollar of out-of-pocket child care costs up to a maximum of \$7500 per child per annum. This continues to be a higher level of support for workforce participation than prior to 1 July 2008 when the Rebate was increased from the former rate of 30 cents in the dollar with a maximum of \$4354 per child.