

**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. ED0221\_15**

**Senator O'Neill provided in writing.**

**Question**

**The Child Care Benefit income**

Budget Papers show that by freezing the Child Care Benefit income thresholds the government will save \$230.4 million over 4 years. Yet government members have been stating that these changes are not a cut to child care benefit. How will the government save \$230.4 million without families receiving less money than they would have before the change?

**Answer**

The 2014-15 Child Care Benefit Budget measure proposed maintaining the Child Care Benefit income eligibility thresholds at the 2013-14 level from 1 July 2014 for three years. The Government will continue to index, that is increase, the Child Care Benefit standard hourly rate, the minimum hourly amount and the multiple child loadings by the Consumer Price Index on 1 July each year.

If a family's income and circumstances do not change from one financial year to the next there should be no impact on their assistance. As with all means tested payments, a change to circumstances can change what a family is able to receive.