

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. ED0294_15

Senator Hanson-Young asked on 4 June 2014 , Hansard page 42

Question

Modelling of how many families would be affected by childcare changes

Senator HANSON-YOUNG: During the Senate inquiry into the quality framework and other childcare matters, only in the last couple of weeks, I asked questions about the modelling of how many families would be affected by these changes. The answer came back of CCB affecting just shy of 500,000 families because of the eligibility changes and, for CCR, 100,000. Obviously, some of those 100,000 would be included in the 500,000, but some will not be because they will be higher than the income bracket. Do we have any more refined figures than that, or could you take that on notice for me? Ms Wilson: I do recall the question during the Senate inquiry. I think we talked about 500,000 families with decreases in CCB payment. I think we also said that there was about the same amount who will get an increase in CCR. In terms of the number of families reaching the \$7,500 limit for CCR, when the original limit was imposed by the previous government in that last budget, it was likely to be about 74,000 reaching that cap. Senator HANSON-YOUNG: In that financial year? Ms Wilson: In the 2014-15 financial year. But with the interactive effect of the CCB threshold pauses now, that is liable to go up to about 76,000. So there is an additional 2,000. Senator HANSON-YOUNG: Could you take on notice for me—I know it is difficult, but you see what I am trying to say? Some of those people are going to be caught by both changes and some will not be. Ms Wilson: That is right. Senator HANSON-YOUNG: 1. Can you take that on notice, unless you have the figures and unless you think you know how many people are going to be caught by both? Ms Wilson: Are you asking for the interaction between the 76,000 and the 500,000? Senator HANSON-YOUNG: Yes. Ms Wilson: We will have to see what we can do. That is quite a complex interaction. While we have given you the absolute, we are happy to take it on notice. ... Senator HANSON-YOUNG: 2. I want to know whether that 500,000 group plus those affected by the CCR freeze has taken into consideration the rise in childcare fees as opposed to just the increased number of people wanting access to child care? Ms Wilson: The way the modelling and the costing for budget works, it should be built into the growth model we already have. If that is not the case, I will come back to you. But I will check that.

Answer

1. It is estimated that approximately 1,600 families would be affected by both measures in 2014-15.
2. Departmental modelling includes projected increases to child care fees.