

Senate Standing Committee on Education Employment and Workplace Relations

**QUESTIONS ON NOTICE
Supplementary Budget Estimates 2011-2012**

Outcome 1 - Early Childhood Education and Child Care

DEEWR Question No. EW0862_12

Senator Back asked on 20 October 2011 , Hansard page 108

Question

Regional Assistance Travel Grant Scheme

Senator BACK: I go to family day care services under the regional assistance travel grant in rural areas. Can you tell me how eligibility is determined under that assistance travel grant scheme?

Ms Paul: We will take that on notice.

Senator BACK: There appears, from the information in front of me, to be a figure of 50 per cent—where a provider has 50 per cent of carers in an outer regional area that seems to determine the basis of payments. Is that correct? Can you help me with my understanding of this?

Ms Hosking: We do not have those details here so we will take that on notice.

Senator BACK: In general terms, though, is there a figure of 50 per cent which determines a rate at which payments are made? The reason for my question is this. The case has been presented to us of a provider who believed that in excess of 51 per cent of their family day carers were located in an Outer Regional area as classified by the Accessibility/Remoteness Index, yet they are being paid at an Inner Regional rate of \$23—obviously a lower figure.

Ms Hosking: I am advised that in general it is the case that if more than 50 per cent of the carers in the scheme are in a regional area, they do qualify. In terms of the specific case you mention, we would need to have a look at the details to understand what has happened in that case.

Senator BACK: Could you explain in general terms the index you use? Do you use the Accessibility/Remoteness Index? Which of the indices do you use?

Ms Hosking: I understand we use ARIA.

Senator BACK: Can you then explain to me—and I am being pedantic here—if 50 per cent of the caseload is covered, do you then deal with it as the more generous Outer Regional or the less generous Inner Regional, or do you in some way split the allocation?

Ms Hosking: As we indicated before, we really do need to get those details on notice for you in terms of the specific guidelines for the scheme.

Senator BACK: If you could do that, I would be most appreciative.

Answer

The Regional Travel Assistance Grant (RTAG) is a payment to support approved Family Day Care (FDC) and In Home Care (IHC) services by assisting with travel costs for coordination staff who are involved with supporting the network of carers in regional and remote areas.

In order to be eligible to access RTAG, FDC service providers must have 51 per cent or more of their carers providing care in regional or remote areas, as defined by the Accessibility/Remoteness Index of Australia (ARIA) which is administered by the Australian Bureau of Statistics (ABS). FDC services provide the address details of each carer to DEEWR, and DEEWR determines if they are in a *Major City*, *Inner Regional*, *Outer Regional*, *Remote* or *Very Remote* location according to ARIA.

For example, if a service is based in a town or city with an ARIA rating of *Major City* and with the majority of its carers located in the *Major City* classification, then that service would not be eligible for RTAG.

However, if a service is located in a *Major City* and has more than 51 per cent of its carers based in locations with classifications such as *Inner* or *Outer Regional*, then that service would be eligible for RTAG.

RTAG has a single rate (69c per km) across all services and locations and is indexed annually. RTAG is claimed quarterly by eligible services and is based on the service's kilometres travelled in that quarter.

RTAG is payable once a service has passed its travel threshold as follows:

Utilised Places*	Km Threshold
50 places or less	975 km
51-150 places	1,950 km
More than 150 places	2,925 km

*Based on Equivalent Full Time (EFT) utilised places.

Operational Support is a contribution towards the operating expenses of FDC services providing support to their network of carers. The payments are based on a rate for each utilised place the service provides. (In 2010-11, \$23 was the rate-per-place for *Inner Regional* services.)

These rates-per-place increase as remoteness increases, therefore services with the majority of their carers in *Very Remote* areas receive a higher rate-per-place than services with the majority of their carers in *Major City* areas. This is in recognition of the higher costs of service delivery outside *Major City* areas.

For example, if a service located in a *Major City* area has the majority of its carers in a *Remote* area, it will receive the higher *Remote* area rate of funding.

If an FDC service believes that the majority of its carers are located in a different ARIA category to the one their Operational Support payments are currently based on, they may request a reassessment of their funding rate by providing DEEWR with the carers' address details. DEEWR then determines which ARIA classification applies to the majority of carers, and the funding rate is adjusted if appropriate.

The following are the Operational Support rates for 2011-12, which are subject to annual indexation in line with the Consumer Price Index:

Geographic Location	Rate per occupied place (per week)
Major Cities (base rate)	\$23.55
Inner Regional	\$24.00
Outer Regional	\$30.60
Remote	\$41.46
Very Remote	\$48.06