



The New Child Care Package

More support for more families – starts 2 July 2018

What's changing?

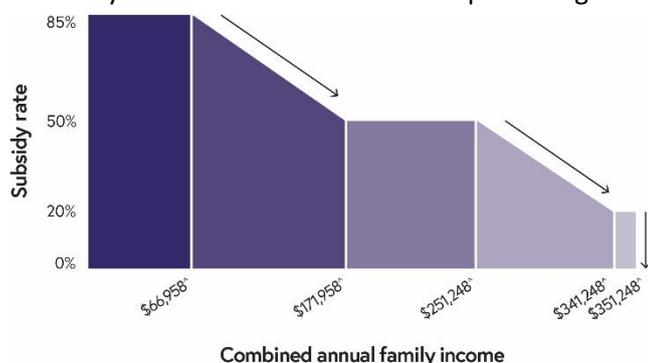
From 2 July 2018 as part of the new child care package, the way your service receives money from the government to support child care is changing. The package includes a new Child Care Subsidy (CCS), which will be paid to your child care service and reduce the amount of fees you may need to pay. As part of the new child care package, you may be required to pay a gap fee to support your child's care. You should talk to your service about any changes to fees.

How does it work?

Three things will determine your amount of CCS:

1. Your combined family income

Your family's income will determine the percentage of subsidy you are eligible for.



2. Your activity in work, study or volunteering

Your Child Care Subsidy is worked out by the hours of child care you use. How many hours of subsidised child care you can get is determined by an activity test. The more activity you and your partner do, the more hours of subsidised care you can access, up to a maximum of 100 hours per fortnight.

Recognised activities

- paid work – including leave, such as maternity leave
- study and training
- unpaid work in family business
- looking for work
- volunteering
- self-employment
- other activities on a case-by-case basis.

There will be exemptions for individuals who cannot meet the activity test requirements.

Families earning up to \$66,958[^] who do not meet the activity test requirements, can access up to 24 hours of subsidised care per fortnight.

Hours of activity

The amount of activity is worked out by the parent or guardian with the lowest hours of activity per fortnight.
The hours of subsidy are per child per fortnight.

3. The type of child care service you use

There are different hourly rate caps for different types of child care:

- Centre-based day care – \$11.77[^] per hour
- Outside School Hours Care (before and after school and vacation care) – \$10.29[^] per hour

Hours of activity*	Hours of subsidy* (maximum)
For families earning up to \$66,958 [^]	
Less than 8 hours	24 hours
For families earning up to \$351,248 [^]	
8 to 16 hours	36 hours
More than 16 to 48 hours	72 hours
More than 48 hours	100 hours

**per fortnight*

Example

Accessing centre-based day care:

Family 1 is charged \$100 for a 10 hour session of child care. This is \$10 per hour. The hourly rate cap for centre-based day care is \$11.77[^]. As the fees charged are less than the hourly cap, their subsidy is based on what they pay – \$10 per hour. If their combined family income is \$65,000, they will be entitled to a subsidy of \$8.50 per hour (85% of \$10). **This will mean the family pays \$1.50 per hour and \$15 for a 10 hour session.**

Family 2 is charged \$130 for a 10 hour session of child care. This is \$13 per hour. The hourly rate cap for centre-based day care is \$11.77[^]. As the fees charged are more than the hourly cap, their subsidy is based on the cap – \$11.77[^] per hour. If their combined family income is \$65,000, they will be entitled to a subsidy of \$10 per hour (85% of \$11.77[^]). **This will mean the family pays \$3 per hour and \$30 for a 10 hour session.**

Child Care Safety Net

There's a range of payments to ensure vulnerable and disadvantaged children, including families from regional and remote communities, are given a strong start through access to quality early learning and child care.

Additional Child Care Subsidy

The Additional Child Care Subsidy will, in most cases, cover all of the child care fees for an eligible child.

It is designed to support:

- families who require practical help to support their children's safety and wellbeing
- grandparents who are primary carers
- families experiencing temporary financial hardship
- families transitioning from income support to work.

The Additional Child Care Subsidy replaces several existing payments including the Jobs, Education and Training Child Care Fee Assistance (JETCCFA).

What do I need to do?

The new child care payments start 2 July 2018. From April 2018 you need to make a claim for CCS with Centrelink. You can make your claim in person at a Centrelink Office, over the phone or online. The Department of Education and Training will write to you through your child care service in April with more information about what you need to do. To prepare to make your CCS claim online, make sure you have a myGov account.

Where can I find out more?

The staff at your child care service may be able to help or visit education.gov.au/childcare.

[^] These amounts are correct for 2018/19 and may be subject to adjustment through indexation in subsequent years.