

# FAMILY FACT SHEET

## The New Child Care Subsidy

As of July 2, 2018 the existing Child Care Benefit and Child Care Rebate subsidy scheme will be replaced by the single payment Child Care Subsidy (CSS) across Australia. To help you understand it, let's break it down into the simple facts of the Child Care Subsidy and you can determine how they will impact you.

### Combined family income determines subsidy level

The new payment remains a means-tested subsidy. This chart shows what subsidy level you can expect based on your combined family income.



\*Subsidy rate of actual fee charged or the maximum hourly rate cap (whichever is lower). These figures will be increased by the Consumer Price Index (CPI) when the package begins in July 2018.

### Meet the activity test to access the Child Care Subsidy

In order to ensure that families who are working can access child care, the subsidy includes an activity test. This chart identifies the level of activity (parent work hour) and the associated number of hours of subsidised child care.



\*Per fortnight

### The activity test includes paid work including:

- Working as a self employed individual
- Undertaking unpaid work for a family business
- Completing training courses to improve work skills or employment prospects
- Enrolled in an approved course of education or study
- Volunteering
- Actively looking for work

### Not working? You may still have access to the Child Care Subsidy

The new child care package includes a Child Care Safety Net, which allows low income families who earn less than \$65,710 each year and do not fulfill the requirements of the Activity Test to access 24 hours of subsidised care each fortnight. This is to ensure all children have access to early childhood education.

### No more annual cap

The existing child care system is capped at \$7,500, however for most families it will no longer be capped. A family earning over \$185,710 to \$350,000 each year will still be capped, but the cap is increased to \$10,000.



For complete information about the Child Care Subsidy and new package launching as of July 2, 2018 visit: <https://www.education.gov.au/child-care-subsidy>.