



# CHILD CARE SUBSIDY

What you need to know!

CCS 2018

In July 2018 the Australian Government introduced a new child care fee assistance package, the Child Care Subsidy (CCS).

To apply register online at my MyGov, then follow the instructions.

To be eligible for CCS:

- the child must be 13 or under and not attending secondary school
- the child must meet immunisation requirements
- the individual, or their partner, must meet the residency requirements listed in the legislation

Families eligible will receive a reduced fee and will not be able to claim at the end of the financial year.

Three factors determine your level of CCS:

1. Family income – combined family income
2. Activity Test – the activity level of the parent undertaking the least activity
3. Service Type – type of child care service

## How to maximise your Subsidy

### Step 1 – Family income assessment

Provide your family income estimate for the 2018/2019 financial year. At the end of the financial year you may receive a payment back or have to repay some of the claimed subsidy, should you have over or under estimated your income.

Combined Family Income	Subsidy % of fee charged (up to relevant % of hourly rate cap)
Up to \$66,958 <sup>^</sup>	85%
More than \$66,958 <sup>^</sup> to below \$171,958 <sup>^</sup>	Decreases to 50%*
\$171,958 <sup>^</sup> to below \$251,248 <sup>^</sup>	50%
\$251,248 <sup>^</sup> to below \$341,248 <sup>^</sup>	Decreases to 20%*
\$341,248 <sup>^</sup> to below \$351,248 <sup>^</sup>	20%
\$351,248 <sup>^</sup> or more	0

*\*5% of families' fortnightly CCS entitlement is withheld by Centrelink. Any amount owing will be paid after the families' taxable income has been assessed by the ATO*

### Step 2 – Activity test

In two parent families com parents, unless exempt, must meet the families activity test. The parent with the lowest entitlement will determine the hours of subsidised care.

Hours of Activity (Per-Fortnight)	Maximum number of hours of subsidy per child (per fortnight)
8 or less (low income families)	24 hours
8-16	36 hours
16-48	72 hours
More than 48	100 hours

The entitled activity hours are based on/or a combination of:

Type of activity	Notes
Paid work	Including paid leave
Unpaid work	Unpaid work for family business of immediate family member, unpaid work experience or internship
Irregular/Casual work hours	Estimate over a three month period - count the highest number of hours you could possibly work per fortnight
Study and training	Educational studies or work related training
Seeking employment	Hours spent looking for work, application processes and attending interviews
Setting up a business	Obtaining finance, advice, attending and organising meetings, networking, developing business plans
Volunteering*	Voluntary work for a charitable, welfare or community organisation, school, preschool or a centre-based day care service

*\*Being on the Parents and Citizens Committee, working in the school canteen, or coaching children's soccer team are considered parental duties and will not be considered as a recognised volunteer activity.*



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## Other activity hours to include



Travel Time between your recognised activity/activities and your child care centre for drop off and pick up



Hours spent on lunch break during your recognised activity/activities



Maternity or parental leave, paid or unpaid. Activity hours claimed must equal hours of employment immediately prior to leave

### Example 1:

If you worked 3 x 8hr days with an hour lunch break each day and your child's early learning centre was 30 minute drive you would have:

Paid employment hours:  $3 \times 8 = 24$  per week + Lunch break:  $1 \times 3 = 3$  hrs  
+ Trips to childcare per day: 30mins (there and back)  $1 \times 3 = 3$  hrs

**Total = 30 hrs per week or 60hrs per fortnight.**  
This also applies to study and volunteer work.

### Example 2:

Mary works part-time 40 hours per fortnight and earns \$30Kpa. Tim, her husband, works full-time 80hrs per fortnight, and earns \$70Kpa. Mary volunteers at the YMCA WA 4hrs per fortnight. They have one child aged 2, 4 days per week at a YMCA Early Learning Centre which is 30 minutes away from Mary's work and 15mins away from her volunteer work.

#### Family Income assessment

Combined Family income =  $70,000 + 30,000 = \$100,000$   
Subsidy % entitlement = 50% per hour

#### Activity test (based on Mary, parent with the lowest entitlement)

Paid employment hours: 20hrs per week+  
Trips to childcare per day from paid job: 30mins (there and back)  $1 \times 3 = 3$  hrs  
Volunteers work: 2hrs per week  
Trip to childcare per day from volunteer work: 15mins (there and back)  $30 \text{mins} \times 1 = 30 \text{mins}$

**Total =  $20 + 3 + 2 + 0.5 = 25.5$  hrs per week or 51 hrs per for fortnight,**  
which entitles Mary's family to a maximum of 100 hrs subsidy per fortnight.

### What if your activities don't meet the activity test?

Activities that do not fall into the recognised activity categories will be assessed by Centrelink on a case-by-case basis.

After you have completed your application on MyGov, it will take about two weeks to determine your eligible subsidy level and provide this to your child's early learning centre.

Please ensure if your circumstances change you log back into your MyGov account and update your details.

Connect with us!



[ymcawa.org.au](http://ymcawa.org.au)



YMCA WA Early Learning Centre



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