



Fact 1

# Information for families using child care

# What assistance does the Australian Government give me for the cost of my child care?

The Australian Government understands that high quality child care is important for many Australian families. High quality child care plays an important role in improving children's educational and developmental outcomes. Child care also enables parents to participate in the workforce and the broader community. To help you with the cost of your child care, the Australian Government provides the following assistance.

#### **Child Care Benefit**

Child Care Benefit reduces the cost of your total child care fees. It is available to you if you are a parent, foster parent or grandparent with a child in your care who is attending child care approved for the purposes of Child Care Benefit by, or registered with, the Government. There are certain eligibility requirements you must meet to get Child Care Benefit.

#### **Child Care Rebate**

The Child Care Rebate is additional assistance if you use Child Care Benefit approved child care, and you are working, studying or training at some time during the week or have an exemption. The Child Care Rebate covers 50 per cent of your out-of-pocket costs up to the annual cap. For the 2012-2013 income year, the Child Care Rebate annual cap is \$7,500 per child per year.

You have the option to receive your Child Care Rebate paid fortnightly, either directly to your bank account, or through your child care service provider as a fee reduction. You still have the option of having your Child Care Rebate paid quarterly or annually as a lump sum directly to your bank account.

#### Jobs, Education and Training (JET) Child Care fee assistance

JET Child Care fee assistance provides extra help if you are a parent on an income support payment and looking for work, studying or starting a job. Access to JET Child Care fee assistance is time-limited depending on the study, training or employment activity that an eligible parent undertakes.

#### **Child Care Services Support Program**

The Child Care Services Support Program provides funding to support child care and related services.

- Quality—Promote quality care for all children in Australian child care services.
- Community Support—for programs designed to support access to child care for families in identified areas of need.
- Inclusion Support—helps child care services to build their capacity to include children with additional needs.
- **Professional Support**—provides child care workers with access to advice, training and resources to assist them build their skills and capacity to provide quality care.

## What other information on child care is there?

The following fact sheets are available if you have questions about your child care needs:

- Fact Sheet 2 What is Child Care Benefit (CCB)?
- Fact Sheet 3 What is approved child care for the purposes of Child Care Benefit (CCB)?
- Fact Sheet 4 What are the different types of approved child care for the purposes of Child Care Benefit (CCB)?
- Fact Sheet 5 What is registered child care?
- Fact Sheet 6 How much Child Care Benefit (CCB) can I get?
- Fact Sheet 7 What is the work, training, study test?
- Fact Sheet 8 What are my responsibilities for receiving Child Care Benefit (CCB)?
- Fact Sheet 9 Absences from child care—Child Care Benefit (CCB) and Child Care Rebate (CCR)
- Fact Sheet 10 What is the Child Care Rebate (CCR)?
- Fact Sheet 11 Is there extra help I can get with my child care cost?
- Fact Sheet 12 What is Jobs, Education and Training (JET) Child Care fee assistance?
- Fact Sheet 13 What child care services are available in regional, remote and Aboriginal and Torres Strait Islander communities?
- Fact Sheet 14 Is there any extra assistance for my child with additional needs?
- Fact Sheet 15 Choosing the right child care for your family.
- Fact Sheet 16 Will my child be given priority for child care services?
- Fact Sheet 17 Where can I find a child care service that meets my needs?
- Fact Sheet 18 Where do I go for more information on child care?
- Fact Sheet 19 Absences from child care due to a local emergency— Child Care Benefit (CCB) and Child Care Rebate (CCR)

## How can I get more information?

For further information on your eligibility for CCB, CCR and JET Child Care fee assistance please contact the Australian Government Department of Human Services:



access Online Services at www.humanservices.gov.au/onlineservices



call 13 61 50 between 8 am and 8 pm (local time) Monday to Friday

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visit a Service Centre (located in Medicare Offices and Centrelink Service Centres)

#### **Useful resources**

For news and information on child care visit the mychild website available at <u>www.mychild.gov.au</u> Access the Child Care Estimator at <u>www.humanservices.gov.au/estimators</u> Family assistance payment rates fact sheet, available at <u>www.humanservices.gov.au</u>

#### If you need to, you can also call:



Teletypewriter (TTY) 1800 810 586 (if you are deaf or have a hearing or speech impairment).

You need a TTY phone to use this service.

13 12 02 if you need information in a language other than English.

Correct as at 010712

## How to claim the Child Care Rebate

- You will need to apply for the Child Care Benefit first. There is no separate claim form for the Child Care Rebate.
- You will automatically be assessed and paid if you are eligible when you apply for the Child Care Benefit (even if you are assessed at a zero rate for the Child Care Benefit due to your family's income).

## The Child Care Rebate is an additional payment to the Child Care Benefit which helps families to cover the out-of-pocket costs of child care.

You can apply for the Child Care Benefit in person or online through Centrelink. To apply online visit: humanservices.gov.au/childcarebenefit.

Child Care Rebate payments will be made once Centrelink has received child care attendance details from your child care service/s.

## How much could you get?

To find out how much Child Care Benefit and Child Care Rebate you could receive, use the child care estimator on **www.humanservices.gov.au/estimators** or call **13 24 68**.



## Examples of how Child Care Rebate works

#### Nick and Kate

- Nick and Kate both work full time and meet all of the eligibility requirements for Child Care Benefit however their family income is too high to receive any Child Care Benefit.
- Their first child, Ben, is in Outside School Hours Care, which costs \$102.50 per week, \$4,920 over the year.
- Their second child, Sam, is in Long Day Care, which costs, \$310 per week, \$14,880 over the year.

|  | Ben     | Sam      |
|--|---------|----------|
| Total child care fees                                      | \$4,920 | \$14,880 |
| Child Care Benefit entitlement                             | \$0     | \$0      |
| Out-of-pocket expenses                                     | \$4,920 | \$14,880 |
| Child Care Rebate<br>(= 50% of out of pocket expenses)     | \$2,460 | \$7,440  |
| This means that child care fees are reduced by \$9,000 and |         |          |

This means that child care fees are reduced by \$9,900 and Nick and Kate pay only \$9,900 over the year.

\* This example is based on 48 weeks of care.

### James and Sally

- James works full time and his partner Sally is studying. Their family income means they receive some Child Care Benefit.
- Their first child, David, goes to Outside School Hours Care, which costs \$85 per week, \$2,550 for the year.
- Their second child, Bella, is in Family Day Care, which costs \$200 per week, \$6,000 for the year.

|  | David   | Bella   |
|--|---------|---------|
| Total child care fees                                  | \$2,550 | \$6,000 |
| Less Child Care Benefit entitlement                    | \$450   | \$1,500 |
| Out-of-pocket expenses                                 | \$2,100 | \$4,500 |
| Child Care Rebate<br>(= 50% of out of pocket expenses) | \$1,050 | \$2,250 |
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This means that child care fees are reduced by \$5,250 and James and Sally pay only \$3,300 over the year.

\* This example is based on 30 weeks of care.

# For more information

Visit australia.gov.au/mychild or call 13 24 68.



# Helping you with the cost of child care





# **Child Care Assistance**

The Australian Government provides families with financial assistance to help cover the cost of approved child care through the Child Care Benefit and Child Care Rebate.

The Child Care Benefit is based on family income, the **Child Care Rebate** is **not income tested**.

### Approved child care

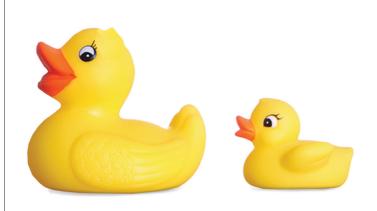
Approved child care are those services that have been approved by the Australian Government to receive child care payments on behalf of families. Approved child care services can be:

- Long Day Care
- Family Day Care
- Outside School Hours Care (before and after school and vacation)
- Occasional Care, and
- In Home Care (families with special circumstances).

Ask your child care service if they are approved to receive government child care payments.

## Registered child care

Registered child care is provided by grandparents, relatives, friends or nannies who are registered with the Department of Human Services.



# **Child Care Benefit**

The Child Care Benefit is **income tested** and is usually paid directly to approved child care services to reduce the fees that eligible families pay.

## Who is eligible for the Child Care Benefit?

- Your child must be attending **approved** child care or **registered** child care
- You or your partner must meet the residency and child's immunisation requirements
- You must be the person responsible for paying the child care fees
- You can apply for the Child Care Benefit in person or online through Centrelink. For online applications visit: humanservices.gov.au/childcarebenefit

# **Child Care Rebate**

The Child Care Rebate is an additional payment to the Child Care Benefit which helps families cover the out-of-pocket costs of child care. It is not income tested and covers up to 50 per cent of out-of-pocket child care costs, up to \$7,500 **per child**, per year. Out-of-pocket child care costs are calculated after deducting any Child Care Benefit payments that are received.

## Who is eligible for the Child Care Rebate?

- You and your partner (if applicable) must have had work, training, study related commitments (or have an exemption) at some time during a week.
- You must be using approved child care.
- You or your partner must be an Australian citizen, a permanent resident living in Australia or be exempted from the Australian Government's residency requirements.
- Children under seven years of age must meet the Australian Government's immunisation requirements or have an exemption.
- You must be the one responsible for your child care costs. If your employer contributes to your child care through salary sacrificing or packaging, you should discuss with them who is responsible for the cost.

Even if your family's income is too high for you to receive the Child Care Benefit you may be eligible for the Child Care Rebate.

