

What's changing?

From 2 July 2018, there will be a New Child Care Package. The Package will help parents with children aged 0–13 work, train, study and volunteer. The Package includes a new Child Care Subsidy, which replaces the current Child Care Benefit and Child Care Rebate. It will be paid directly to services.

CURRENT	NEW
Child Care Benefit	Child Care Subsidy
Child Care Rebate	

Annual subsidy cap

Families earning $186,958^ or less will have no cap on the amount of Child Care Subsidy they can claim. Families earning over $186,958^ and under $351,248^ will benefit from an increase in the current cap of $7,613 to $10,190^ per child, per year.

Combined annual family income	Annual subsidy cap per child
$186,958^ or less	**No cap**
More than **$186,958^** to less than **$351,248^**	Increase to **$10,190^**

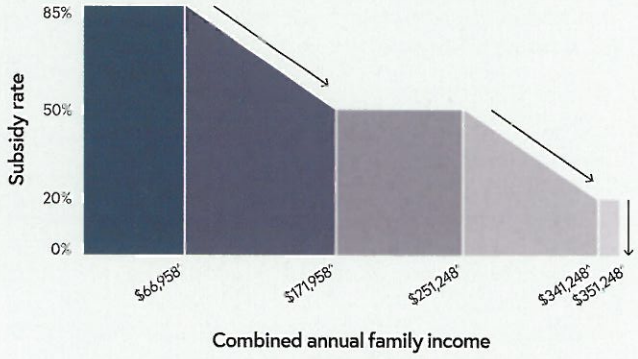
^These amounts are correct for 2018/19 and may be subject to adjustment through indexation in subsequent years.

How does it work?

Three things will determine a family's level of Child Care Subsidy:

1. Combined family income

A family's annual adjusted taxable income will determine the percentage of subsidy they are eligible for.



To estimate what your new subsidy might be, go to education.gov.au/childcare



2. Activity level of parents

The number of hours of subsidised care families can access, will be determined by an activity test. The higher the level of activity, the more hours of subsidised care families 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 parents who legitimately cannot meet the activity test requirements, as well as to support children's participation in preschool.

HOURS OF ACTIVITY

The parent or guardian with the lowest hours of activity per fortnight will determine the hours of subsidised care. The hours of subsidy are per child.

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

Parents whose hours of paid work vary from one fortnight to the next (such as casual workers) can estimate their fortnightly hours of work based on a three-month period.

3. Type of child care service

It will be calculated by the hour using these hourly rate caps:

- Centre based day care – $11.77^ per hour
- Family day care – $10.90^ per hour
- Outside school hours care – $10.29^ per hour
- In Home care – $25.48^ per hour (per family).