

Additional Child Care Subsidy

The Additional Child Care Subsidy is one of three components of the Child Care Safety Net, which aims to give the most vulnerable children a strong start, while supporting parents into work.

The Additional Child Care Subsidy is a top up payment in addition to the Child Care Subsidy which will provide targeted additional fee assistance to families and children facing barriers in accessing affordable child care.

The Additional Child Care Subsidy has four elements:

- Child Wellbeing
- Grandparents
- Temporary Financial Hardship
- Transition to Work

Additional Child Care Subsidy – Child Wellbeing

Additional Child Care Subsidy (Child Wellbeing) will provide assistance to families that are in circumstances that require practical help to support their child's safety and wellbeing.

Eligible families will receive a subsidy equal to the actual fee charged, up to 120% of the Child Care Subsidy hourly rate cap, for up to 100 hours per fortnight. The family will not have to meet activity test requirements.

Additional Child Care Subsidy – Grandparents

Additional Child Care Subsidy (Grandparent) will provide up to 100 hours of subsidised care per fortnight for grandparents who:

- receive income support
- are the principal carer with 65% or greater carer responsibilities
- have substantial autonomy for the day-to-day decisions about the child's care, welfare and development

Eligible families will receive a subsidy equal to the actual fee charged, up to 120% of the Child Care Subsidy hourly rate cap, for up to 100 hours per fortnight. These grandparents will not have to meet activity test requirements.

Additional Child Care Subsidy – Temporary Financial Hardship

The Additional Child Care Subsidy (Temporary Financial Hardship) will provide short-term increase in child care fee assistance to families who are experiencing significant financial stress due to exceptional circumstances, to ensure continuity of care.

Eligible families will receive a subsidy equal to the actual fee charged, up to 120% of the Child Care Subsidy hourly rate cap, for up to 100 hours per fortnight. The family will not have to meet activity test requirements. This support will be provided for a maximum of 13 weeks per event.

Additional Child Care Subsidy – Transition to Work

The Additional Child Care Subsidy (Transition to Work) will provide support to families who are transitioning to work from income support by engaging in work, study or training activities.

To be eligible for Transition to Work, families need to:

- receive one of the following payments:
 - Parenting Payment
 - Newstart Allowance
 - Disability Support Pension
 - Youth Allowance
 - a payment prescribed by the Minister's rules.
- have a Job Plan in effect (employment pathway plan within the meaning of the *Social Security Act 1991* (Cth), or a participation plan under section 94B of the *Social Security Act 1991* (Cth).

Transition to Work provides a subsidy of 95% of the actual fee charged up to 95% of the Child Care Subsidy hourly rate cap. Hours of assistance will be determined by the Child Care Subsidy activity test. Individuals may continue to receive the subsidy for 12 weeks after they gain employment and their income support payments cease.

Resources

A range of information resources are available to assist families and providers understand the details of the new child care package.

- For families
- For providers