



Australian Government
Department of Education,
Skills and Employment

News

Weekly wrap for the early childhood
education and care sector



29 June 2022

Child Care Subsidy rates increase on 11 July

Child Care Subsidy (CCS) rates are increasing from 11 July.

CCS rates are adjusted each July based on the Consumer Price Index (CPI) for the previous December. That means the CCS family income thresholds and hourly rate caps will increase. The new rates take effect from 11 July, which is the start of the first CCS fortnight in the new financial year.

Combined annual income

The amount of CCS a family gets depends on their combined annual income.

New CCS family income thresholds	Subsidy %
Up to \$72,466	85%
More than \$72,466 to below \$177,466	Decreasing to 50%
\$177,466 to below \$256,756	50%
\$256,756 to below \$346,756	Decreasing to 20%
\$346,756 to below \$356,756	20%
\$356,756 or more	0%

New hourly rate cap

The maximum hourly rate we subsidise is based on the type of service you run.

Service type	New hourly rate cap (children below school age)	New hourly rate cap (school-aged children)
Centre Based Day Care	\$12.74	\$11.15
Outside School Hours Care	\$12.74	\$11.15
Family Day Care	\$11.80	\$11.80
In Home Care (per family)	\$34.64	\$34.64

The [2021–22 CCS rates](#) are available on our website.

CCS balancing deadline tomorrow



Families must take action by tomorrow to avoid losing CCS or getting a debt.

At the end of each financial year, Services Australia reconciles family payments, including CCS. This is to ensure families receive the correct amount of assistance for the year.

Tomorrow marks two deadlines for families:

- the first deadline for confirming 2020–21 income
- the second deadline for confirming 2019–20 income.

Families confirm their income by:

- lodging their tax return, or
- telling Services Australia they don't need to lodge a tax return. Families can complete an [Advise non-lodgement of tax return](#) using their [Centrelink online account](#) through [myGov](#) or through the [Express Plus Centrelink mobile app](#). They'll need to do this even if they've already told the Australian Taxation Office they don't need to lodge.

Action for providers

The balancing process is a matter between families and Services Australia.

You can help families by reminding them to confirm their income before tomorrow's deadline.

If families have questions, please direct them to the [Services Australia website](#).

Connected Beginnings site for Adelaide

A [Connected Beginnings](#) program to support more than 1,000 Aboriginal and Torres Strait Islander children prepare for school will be set up in the northern suburbs of Adelaide.

The \$1.8 million investment by the department will establish a Connected Beginnings site at Kurna Plains Children's Centre in Salisbury/Playford.

[Connected Beginnings](#) is an Australian Government grants program and [Closing the Gap measure](#).

The program supports children from birth to school age and pregnant women. Through it, children can get steady, wrap-around support. This helps them meet the learning and development milestones needed for a smooth start to school and to get the best start in life. Last year, the Australian Government committed \$81.8 million to expand Connected Beginnings from 24 to 50 sites nationally by 2025.

Read the [announcement on the new Connected Beginnings site in South Australia](#).

Reminder: COVID-19 support extended

Last week, we [announced an extension to COVID-19 support measures](#) for the early childhood education and care sector.

The following support will continue to be available to families and services until 30 June 2023:

- Families will get 52 allowable absences for the 2022–23 financial year. These absences will be applied automatically in the Child Care Subsidy System. Families do not need to take action.
- Families can use evidence of a positive COVID-19 test from a government agency to access additional absences. Additional absences are only available after a child has used their 52 allowable absences.
- We may pay CCS for absences that occur in the 7 days before a child's first day of care, or after their last day of care, if the child or a member of their immediate household must isolate with COVID-19. This is known as the absences before and after care rule.
- Services may waive the gap fee if a child is unable to attend care for one of 3 reasons.

Waiving the gap fee is a business decision, and is up to individual services. It is not mandatory. Read details about [COVID-19 support](#) on our website.

CCS eligibility: 26-week rule

The new CCS eligibility rule is starting soon.

From 11 July, a child who hasn't used care at least once in the previous 26 weeks will no longer be eligible for CCS.

If a child has not attended care since 10 January, their CCS will cancel from 11 July. The rule will apply on an ongoing basis from this date. Families will need to submit a new CCS claim if the child re-commences care.

Services Australia has notified impacted families. You do not need to take action.

We will not raise CCS debts when applying the rule. Any changes to CCS entitlement will only apply from the date of cancellation.

Will the rule impact a family's higher CCS?

Families with more than one child aged 5 or under in care can get a [higher CCS](#) for their second child and younger children.

The 26-week rule may affect a family's entitlement to the higher CCS.

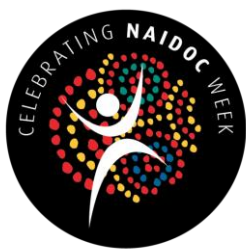
If a standard rate child's CCS eligibility ends, Services Australia will reassess all other children in the family to determine:

- the new standard rate child
- new subsidy rates.

If a child attends care again after their CCS is cancelled, the family can lodge a new claim for CCS.

The 26-week rule will not affect backpay made to combined families for any higher subsidy they were eligible for between 7 March and 30 June 2022.

If families have questions, please direct them to [Services Australia](#).



**GET UP!
STAND UP!
SHOW UP!**

3-10 JULY 2022



an opportunity to
history, cultures and
and Torres Strait Islander

C week to produce the
ditional Resources which are
ame: **Get up! Stand up!**

[or resource.](#)

[book group](#) where we'll share
rk the week.

Good to know

Families with more than one child aged 5 or under in care can get a [higher CCS](#) for the second child and younger children.

Combined families will automatically start receiving the higher CCS from 1 July. They may also receive backpay from Services Australia for any higher subsidy they were eligible for between 7 March and 30 June 2022.

We have more [information for providers](#) on our website.

Services Australia has [information for families](#), including [examples that show how the higher CCS works](#).

Facebook group

The [Australian Child Care Providers and Services Facebook group](#) is your place to learn, explore and connect with us and others in your sector.

In a [recent conversation a member asked about anaphylaxis action plans](#). Have you got experience with developing these for your service? Leave a comment to share with your peers. The [Facebook group](#) is your place to ask questions, start a discussion and engage with your colleagues in the sector.

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