



Child Care Subsidy activity test

What is an activity test?

The number of hours of Child Care Subsidy a family is entitled to per fortnight is determined by an activity test. The more hours of activity parents do, the more subsidised care they can access, up to a maximum of 100 hours per fortnight for each child.

The activity test ensures that subsidised child care is available to support families who rely on child care to work, train, study, volunteer or do other recognised activities. There are exemptions for individuals and their partners who cannot meet the activity test requirements.

Hours of activity

In two parent families, both the individual and their partner must either meet the activity test or have an exemption. The hours of subsidised care the family is entitled to will be determined by the person with the lowest number of hours of activity per fortnight.

In sole parent families, the sole parent must meet the activity test or have an exemption.

Step	Hours of activity (per fortnight)	Maximum number of hours of subsidy (per fortnight)
1	8 hours to 16 hours	36 hours
2	More than 16 hours to 48 hours	72 hours
3	More than 48 hours	100 hours

Child Care Safety Net

Low income families with incomes of \$66,958 or less a year who do not meet the activity test will be able to access 24 hours of subsidised care for each child per fortnight, as part of the Child Care Safety Net. This will be provided at the highest rate of subsidy.

Attending a preschool program in Centre Based Day Care

Families who do not meet the activity test and have a preschool aged child attending a preschool program in a Centre Based Day Care service will be exempt. The exemption will only apply for the preschool age child in the year before full-time school. Families will be entitled to 36 hours of subsidised care per family for the preschool aged child.

Recognised activities

Hours spent doing different activities can be combined to determine hours of subsidised care per fortnight. Hours of activity do not need to coincide with the hours that child care is used.

The following activities are recognised for the Child Care Subsidy activity test:

- paid work including being self-employed or on paid or unpaid leave (including paid or unpaid parental leave)
- participating in an approved course of education or study (including contact and self-directed hours of study and term/semester breaks until the course is completed)
- training to improve work skills and/or employment prospects (including self-directed hours of study and term/semester breaks)
- unpaid voluntary work – if this is the only activity an individual will be entitled to up to 36 hours of subsidised care per fortnight. This activity can be combined with other recognised activities to access more than 36 hours of subsidised care per fortnight
- unpaid work experience or internships
- unpaid work in a family business owned by an immediate family member
- actively looking for work (including people who are employed but looking for additional work or more permanent work) – if this is the only activity an individual will be entitled to up to 36 hours of subsidised care per fortnight. This activity can be combined with other recognised activities to access more than 36 hours of subsidised care per fortnight
- actively setting up a business that has not yet started to operate – this activity will only be recognised for six months out of every 12 months
- recipients of Newstart, Youth Allowance (jobseeker), Parenting Payment or Special Benefit, with a compulsory mutual obligation requirement will have access to 36 hours of subsidised care per fortnight
- recipients of Carer Allowance will have access to 72 hours of subsidised care per fortnight. If individuals undertake more than 48 hours of activity per fortnight, including their caring responsibilities, they can access up to 100 hours of subsidised care.

Other types of activity (not listed above) that would maintain or improve work skills or employment prospects (or both), can be assessed by Centrelink to have that activity recognised. Decisions will be made on a case-by-case basis.

Irregular work hours

If a person's hours of paid work vary from one fortnight to the next (such as casual workers) they can estimate the highest number of hours they expect to work in a single fortnight over a three-month period. This estimate will be used to determine their hours of subsidised care per fortnight.

It is important that families update their details if and when their working hours change, as it could alter the number of hours of subsidised care they can access.

Travel time

In working out their hours of activity, families can include reasonable travel time from the child care centre to the place where they do the activity such as their workplace, and from this place back to the child care centre. Travel time between home and the child care centre cannot be included as children are in the care of their family at these times.

Exemptions to the activity test

There are exemptions to the activity test for individuals who legitimately cannot meet the activity test requirements. In two parent families, where one person has an exemption, the hours of subsidised care for the family is still determined by the person with the lowest number of hours of activity per fortnight.

The following circumstances will be considered exempt from the activity test, with an entitlement to 100 hours of subsidised child care per fortnight:

- people with disability or impairment, including those who receive Disability Support Pension or an invalidity service pension or who have been diagnosed by a registered medical practitioner or clinical psychologist as impaired to a significant degree
- people living or travelling outside Australia (the individual claiming Child Care Subsidy will usually be exempt for up to six weeks)
- recipients of Newstart, Youth Allowance (jobseeker), Parenting Payment or Special Benefit, with an exemption from mutual obligation requirements (with some exceptions)
- being in gaol or psychiatric confinement due to being charged with an offence
- being a carer who receives Carer Payment
- being a carer who provides constant care for an adult or child but they or the person they are caring for do not meet means or assets tests for Carer Payment
- grandparents who are the principal carers of their grandchild/ren but who do not receive income support payments and are therefore not eligible for Additional Child Care Subsidy (grandparent).

Information and evidence required

Families self-declare their activity to Centrelink and no evidence is required at the time they self-declare. This is generally done just prior to a new financial year, when they provide their income estimate for the coming financial year. Centrelink might ask some families to provide evidence as part of their normal random spot checks.

Evidence could include, for example, a copy of a payslip or a letter from the organisation where they volunteer. Families can change or update their activity test details whenever they need to. This can be done through their Centrelink online account via [myGov](#), including via an app on their smartphone.

Exceptional circumstances

In exceptional circumstances families can make an application to Centrelink that it would be unreasonable for them in their circumstances to satisfy the activity test. Centrelink will consider these applications and may make a case-by-case determination of the hours of subsidised care families will be entitled to, which could be more than 100 hours of subsidised care per fortnight. Supporting evidence will be required for all applications.

Where can I get further information on the Child Care Package?

Department of Education, Skills and Employment Child Care Package: dese.gov.au/ecc

Services Australia Child Care Subsidy: servicesaustralia.gov.au/childcaresubsidy