

## MEDIA RELEASE

Friday 27<sup>th</sup> March 2020

### ACA implores government to step up NOW to prevent imminent collapse of child care (early learning) sector

The Australian Childcare Alliance (ACA) is urging the Australian Government to step up and provide further financial support to the child care (early learning) sector on the brink of collapse.

With over **845,000 families** relying on Australia's early learning services - the backbone of the economy – this will be a **devastating blow to Australia's workforce** in months and years to come.

As a first step, the Federal Government must **immediately allow providers to waive the gap fees** (on average \$100-\$200 p/w) that parents must pay (at no additional cost to taxpayers) and continue to fund their places with the Child Care Subsidy (CCS). If this doesn't happen now, these vitally important services will be forced to close, along with a mass lay off of educators.

Whilst this step alone will not keep this vital sector afloat and not work for every current provider it will allow providers to continue to generate some income as it rides the wave of mass withdrawals.

With families withdrawing their children from enrolments at alarming rates this week and last week, the majority of service providers Australia-wide have lost the majority of their fee revenue along with the Child Care Subsidy (CCS), leaving them financially crippled and questioning **how they can continue to operate beyond this week**.

"Early learning services are deemed safe places (by the Chief Medical Officer) for young children and educators, with exceptionally high levels of personal hygiene practices, that were in place already." ACA President Paul Mondo explained.

"But right now our members are struggling to keep their doors open. The NSW and Victorian Governments' early onset of school holidays coupled with parents being told to keep their children at home has triggered a mass exodus of families from early learning settings." ACA President Paul Mondo explained.

"The numbers vary from centre to centre, but with attendance rates dropping on average between 30 and 80% per centre, this has been a huge blow to individual centres."

"Our services are a lynch pin for the economy and need help now."

Meanwhile parents who work on the healthcare and emergency services frontline, along with essential services, rely on child care services in order to continue working in their roles.

Without additional funding to support early learning services through these coming weeks, many services **will be forced to close** and **will not have the capital to reopen** once the crisis passes.

"We're continue our conversation with the Government to ensure that further support will happen before our sector collapses but time is critical and an urgent response is required." Mr Mondo concluded.

"We understand the entire economy needs assistance at this challenging time, but without child care it's going to be extremely difficult for Australia to bounce back from this economic disaster."

#### Australian Childcare Alliance

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## ENDS

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## BACKGROUND

*As the national peak body in the Australian Early Childhood Education and Care (ECEC) sector, the Australian Childcare Alliance (ACA) represents more than 2,500 members and approximately 360,000 families throughout Australia.*

*We work on behalf of long day care service owners and operators, to ensure families have the opportunity to access affordable, quality ECEC throughout Australia.*

*The ACA has existed in various forms for more than 30 years and has extensive experience in the fields of early childhood, education, training and management. Our experience means that we understand the critical role a quality ECEC program plays in the life of families and the importance of a viable long day care sector in preparing children for the best start in life and learning.*

*ACA's national and state bodies work collaboratively with all levels of government, regulatory bodies and other stakeholders to ensure that families are supported into the future with a sustainable, affordable and viable sector, with a focus on the best interests of Australia's young children.*

**ACA's Policy Paper: Lets Give Our Children The Best Start In Life** is available at [www.BestStartInLife.org.au](http://www.BestStartInLife.org.au) .

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