

Australia's childcare centres struggle to pay up to \$9,000 for Covid-19 cleaning ^[1]

One-size-fits-all approach for sector puts not-for-profits in jeopardy, union warns

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EXCERPTS

The not-for-profit early childcare education sector is struggling to pay up to \$9,000 for deep cleaning each time a Covid-19 case is identified, while federal government transition payments may not be enough to keep the sector afloat as parents pull their children out of the system.

The United Workers Union's director for early childhood education, Helen Gibbons, said the one-size-fits-all approach towards the early childcare sector needed a rethink or the community risked losing not-for-profit childcare centres, which comprise just under half of the sector.

"What we've seen playing out especially in Victoria is lots of parents have dropped days," Gibbons said. "They may not have pulled out altogether, but they have gone from four or five days of early education to one or two. Attendances have dropped.

"And when centres shut down for cleaning after an outbreak, parents aren't returning. In hotspot areas where Covid is high, the numbers are even lower for attendances.

"What all this means is on top of all of the concerns about the basics like safety of staff and children, there are fears about what will happen to their jobs and that's all coming to the fore again."

While providers have been receiving 50% of their income directly from the government, and staff have been eligible for jobkeeper, both of those supports ended this month. From 13 July the federal government's childcare subsidy recommenced and eligible providers will be offered a transition payment equivalent to nine weeks of 25% of average weekly fees charged.

"What we are hearing is that the model set up at end of jobkeeper of a 25% subsidy from government isn't financially working for not-for-profit, small providers," Gibbons said. "We are so concerned about the viability of some parts of the sector especially the not-for-profits. Most not-for-profits only have one or two centres.

"They are associated with high-quality, longstanding service often in areas of the community where you can't make a large profit so they service different and essential parts of the community and are really high quality. They set the standard for rest of the sector.

"I'm less concerned for the for-profit, ASX-listed companies as they have wiggle room, and they could lessen the returns to shareholders. But not-for-profits have invested everything they have back into child education."

A spokesman for the federal education minister, Dan Tehan, said: "If services are closed as a result of a public health directive due to Covid, or children are absent due to Covid, they can continue to receive childcare subsidies (CCS) for absences. They are also permitted to waive families' out-of-pocket fees, until 31 December 2020.

"In addition to the allowable 42 absence days that CCS is payable, additional absence days can be claimed for Covid-19 without the need for medical evidence."

The executive director of Community Child Care Association, Julie Price, said more than 40 services had needed to close during the second wave. "Deep cleans are so expensive," she said. "For a small centre it might cost around \$3,000 but it can be up to \$9,000 for somewhere larger. What we are hearing is people are really worried they might have to go through this process a couple of times before we see the end of the crisis and that would be devastating financially."

The Victorian government provides \$900 cleaning grants for kindergarten services with fewer than 50 enrolments and \$1,500 for those with 50, significantly less than the cost of the clean.

Price said some outside-of-school-hours service providers had attendance rates of as low as 6%, given that many children were now being educated from home. If they were forced to close, she feared that when the state reopens parents would have nowhere to send their

children when they returned to the workplace, forcing people to leave their jobs to care for them.

She also heard that one early childhood education provider had reopened after a deep clean – but only one child came back. “I think families are fearful that once there has been a Covid case in the service it might happen again and it brings the virus closer to home,” Price said. “Our members are reporting really dire situations and are so concerned if the lockdown goes any longer than for six weeks it will ruin their ongoing sustainability.

“We’ve been asking the commonwealth for some sort of sustainability financial support for struggling services in lockdown and who have to shut for Covid-positive cases. I think the government is slowly starting to understand one size doesn’t fit all, which is great, but at the moment they’re taking a watching brief. That’s scary. They need something put in place now.”

A spokeswoman for Goodstart Early Learning, Australia’s largest not-for-profit early learning provider, said increased hygiene standards and extra cleaning costs associated with the pandemic had put additional financial pressure on early childhood education centres. “As Covid-19 numbers remain high across Victoria many of our families are facing uncertainty and subsequently we have seen a drop in attendances in many locations,” she said.

Victoria’s opposition education spokeswoman, Cindy McLeish, said childcare centres were also struggling to get a response from the state’s Department of Health when they required information after a Covid-19 case was identified. A statement from her office said: “A positive diagnosis within a school or child carecentre requires swift action and relies on clear and consistent advice being provided immediately, to stop the spread of this virus.

“They need someone to walk them through exactly what they should do and provide guidance for cleaning, closures, contact tracing and advice on reopening.

“Contact tracing is not being done, phone calls are not being returned or they get passed from pillar to post without any real information.”

Guardian Australia has contacted the office of the premier, Daniel Andrews, for comment.

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