

Childcare centres brace for cutbacks: 'we don't have a choice' ^[1]

Victorian childcare operators fear enrolments could drop by more than half and they will be forced to cut staff because of COVID restrictions.

Author: Ore, Adeshola

Source: The Australian

Format: Article

Publication Date: 5 Aug 2020

AVAILABILITY

Access online (paid subscription) ^[2]

EXCERPTS

Victorian childcare operators fear enrolments could drop by more than half and they will be forced to cut staff because of tightened COVID restrictions.

Under the new measures, parents with kids in childcare will get an additional 30 days of allowable absences during the state's second lockdown. The federal government has also urged providers to waive gap fees to ensure there is no cost to parents and families retain their spots when they return to work.

Tamika Hicks, who owns a centre in southeast Melbourne, said suspending fees for six weeks would lead to job cuts.

"The package fails to take into account that if services choose to waive fees, to ease the financial burden on families who may not be working or have an income, then how can services then afford to pay educators," the owner of Cardinia Lakes Early Learning Centre said. "If we don't waive the gap fees we'll lose families and we'll end up having to shut ... so we don't have a choice."

Under the package unveiled on Wednesday, childcare providers will be given a 5 per cent top-up instalment on top of a 25 per cent transition payment centres are already receiving. Education Minister Dan Tehan said the scheme, which the government estimates will provide centres with about 80 per cent of their pre-COVID revenue, would provide a financial incentive to waive the gap fee and to keep staff employed.

From Thursday, childcare services will only be eligible to children of permitted workers and vulnerable children.

Ms Hicks said under those rules only 45 children would be able to attend her centre, down from an average of 70 a day under stage-three restrictions and 100 before the pandemic.

As a result, the centre's six casual staff, out of 46 workers, would be stood down. Ms Hicks said she would also have to reduce the hours for the remaining part-time staff.

"This package was meant to help educators, services and families get through," she said. "It's made the problem more complex. This so-called survival package is not that."

But Community Child Care Association executive director Julie Price welcomed the announcement, though predicted some services would need to cut casual staff.

"We think they'll be able to limp through," she said.

Region: Australia and New Zealand ^[3]

Tags: funding ^[4]

economic recovery ^[5]

investment ^[6]

wages ^[7]

Source URL (modified on 13 Aug 2020): <https://childcarecanada.org/documents/child-care-news/20/08/childcare-centres-brace-cutbacks-%E2%80%98we-don%E2%80%99t-have-choice%E2%80%99>

Links

[1] <https://childcarecanada.org/documents/child-care-news/20/08/childcare-centres-brace-cutbacks-%E2%80%98we-don%E2%80%99t-have-choice%E2%80%99> [2] <https://www.theaustralian.com.au/nation/politics/coronavirus-childcare-centres-brace-for-cutbacks-we-donhave-a-choice/news-story/9c14d3b31cfc2eb7e2025fbb3d45c6cb> [3] <https://childcarecanada.org/category/region/australia-and-new-zealand> [4] <https://childcarecanada.org/category/tags/funding> [5] <https://childcarecanada.org/taxonomy/term/9038> [6] <https://childcarecanada.org/category/tags/investment> [7] <https://childcarecanada.org/category/tags/wages>