

Nowhere to go for hundreds of children as child-care centres close [AU] ^[1]

Author: Horin, Adele

Source: Sydney Morning Herald

Format: Article

Publication Date: 16 Nov 2007

AVAILABILITY

See text below.

EXCERPTS

Child care centres in six NSW country towns and one in Sydney - once linked to the corporate giant ABC Learning Centres - will close next Friday, resulting in the loss of hundreds of child-care places.

Most of the centres are the only one in town, with parents having no other immediate child-care options.

Parents and staff were given less than a month's notice of the closures, leaving many shocked and angry. But the company that now operates them says the centres are not viable.

...

All the centres are owned by the little-known Queensland-based company Child Care Providers, which bought the licences from ABC Learning about 18 months ago. In at least three cases, ABC still owns the premises.

"Seven centres being closed at the one time is out of the ordinary," said John Tansey, executive director of children's services at the NSW Department of Community Services.

The chief executive officer of Child Care Providers, Viryan Collins-Rubie, is a business partner and old friend of Eddy Groves, the chief executive of ABC Learning.

They are owners, with Mr Groves's sister, Patricia, and another man, of a company called Deane and Davis Fine Jewellers.

A spokesman for ABC Learning said Mr Groves had known Ms Collins-Rubie for many years and they had planned a business venture together in the past that had not worked out.

Asked if there was an arrangement for Child Care Providers to buy unprofitable rural centres from ABC in order to close them down, and deflect odium away from ABC, the spokesman said: "The only financial arrangement existing between ABC and Child Care Providers is as landlord/tenant."

He said ABC had in the past been forced to close centres because of a lack of demand.

Ms Collins-Rubie could not be contacted.

The Greens MP John Kaye, who has been contacted by concerned community leaders, said: "The dealings between the mysterious Child Care Providers Pty Ltd and ABC Learning need to be fully examined. This is not just another corporate high finance deal. It directly affects the future of many vulnerable young people."

When called about the closures, the general manager of Child Care Providers, Rebecca Gunn, at first said she had "no comment" and hung up.

In a later response to an email, Ms Gunn said the centres were not viable due to low occupancy, rising costs and difficulty in obtaining qualified staff.

"It has left us with no choice but to make this unfortunate decision. We apologise for the inconvenience and stress that this decision has caused the families and staff at our centres."

...

Secrecy surrounding the closures has frustrated local councils and business people interested in possibly taking over the licences.

Coolamon Shire's general manager, Terrey Kiss, Harden's general manager, Annabell Miller, and David McMurray, general manager of an organisation Newtrain, interested in the Wee Waa centre, have all reported that Child Care Providers has stalled on providing basic information that would enable them to make a decision.

"I wanted to keep the service going but they were not interested in dealing with council," said Mr Kiss. "I asked for the name of a human being I could deal with about the building but they were not prepared to divulge that and indicated there would be all sorts of difficulties in trying to rent [it]."

ABC said it did not own the Coolamon premises, despite "town rumours".

Ms Miller said the \$36,000 rent ABC charged for the Harden premises was "huge" for the town, being about the equivalent of rent charged for a major industrial site.

...

- reprinted from the Sydney Morning Herald

Region: Australia and New Zealand ^[2]

Tags: privatization ^[3]

Source URL (modified on 27 Jan 2022): <https://childcarecanada.org/documents/child-care-news/07/11/nowhere-go-hundreds-children-child-care-centres-close-au>

Links

[1] <https://childcarecanada.org/documents/child-care-news/07/11/nowhere-go-hundreds-children-child-care-centres-close-au> [2]

<https://childcarecanada.org/category/region/australia-and-new-zealand> [3] <https://childcarecanada.org/category/tags/privatization>