

Jobs in the balance as ABC buyers named [AU] ^[1]

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Source: Courier Mail

Format: Article

Publication Date: 16 Apr 2009

AVAILABILITY
See text below.

EXCERPTS

A business linked to former top ABC executives is among organisations taking over "unviable" ABC Learning Centres.

The buyer of almost 20 of the nearly 240 centres put up for sale following ABC's collapse is Stan Sheehan, who has long ties to ABC and its former chief executive, Eddy Groves. Other buyers include a German kindergarten venture and a leading Australian charity.

The 65 new owners of more than 200 centres were revealed yesterday. Of remaining centres, 19 in NSW, Victoria and Western Australia are likely to close while another eight remain in limbo.

Concerns were also raised about jobs, with 480 - or one in five employees - at risk.

The centres, controlled by court-appointed receivers PPB, were quarantined from ABC's main group when the childcare operator collapsed last November.

PPB's Daniel Bryant said he was pleased with the sale outcome given that the future of the centres, deemed unviable under ABC's old model, had been in doubt.

Mr Sheehan's ties to ABC include owning Childcare Providers, which bought 15 centres from ABC in 2005.

Another of his companies was Ashmore Constructions, which Mr Groves's now defunct Brisbane Bullets basketball team listed as a sponsor that had built some ABC childcare centres.

Mr Sheehan has set up a company called Kids in Care to buy the latest centres. The Courier-Mail understands former top ABC executives Matt Loveday and Jillian Reynolds have been working from Mr Sheehan's office.

His Gold Coast office said Mr Sheehan, Mr Loveday and Ms Reynolds were unavailable.

Mr Bryant said the receivers knew of their role.

"(This) obviously gave us a more critical look," he said. But he said nothing suggested they would not be capable of having a "reasonable crack" at running centres.

Mr Groves yesterday confirmed hearing of rumours he too had been working at the office, which he denied. "I'm long gone from childcare," he said.

A buyer of 29 centres is charity Mission Australia, which already operates about 20 centres. "We're confident over the next 12-18 months they will become self-sustaining," a spokesman said.

...

The Liquor, Hospitality and Miscellaneous Union expressed concern that workers had not been guaranteed jobs.

"For those in the 19 centres that are closing they're definitely looking at losing their existing jobs and there's some talk from the receivers of some alternative employment but no clarity," LHMU national secretary Louise Tarrant said.

- reprinted from The Courier Mail

Region: International ^[2]

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