

# Childcare rebate system abused <sup>[1]</sup>

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## EXCERPTS

Some [Australian] parents are exploiting a loophole in the childcare rebate system, claiming back government cash despite not having paid childcare centre fees.

The parents are "hopping" from centre to centre, leaving behind thousands of dollars worth of debts, then stinging the government for the childcare rebate, centre operators claim.

The Federal Government pays an income-based percentage of childcare fees, with parents paying the gap and receiving up to 50 per cent back.

However, some parents are claiming the cash without having paid fees, centre operators say.

Information provided to the government by childcare centres indicated only how many days each child attended, not whether the parents have paid fees.

Childcare centre operators say "hoppers" move their children from centre to centre and town to town after being challenged about unpaid fees.

...

"Because the rebate is paid regardless of whether parents have paid, parents can actually make money out of sending their kids to childcare," she said.

A spokeswoman for Minister for Early Childhood Education and Child Care Kate Ellis said the government did not have any legal basis to resolve disputes about non-payment of fees.

-reprinted from The Courier Mail

**Region:** Australia and New Zealand <sup>[2]</sup>

International <sup>[3]</sup>

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**Source URL (modified on 27 Jan 2022):** <https://childcarecanada.org/documents/child-care-news/09/11/childcare-rebate-system-abused>

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