

Government's Child Care and Early Childhood Education Relief Package

2 April 2020

The Federal Government has just announced a relief package for the child care and early childhood education sector ('child care sector'). The relief package is designed to:

- provide free child care to around one million families; and
- ensure that as many of the child care sector's 13,000 child care and early learning services as possible keep their doors open for families that need to work and to support vulnerable children during the Coronavirus pandemic.

Based on the Prime Minister's Media Release of 2 April 2020, the relief package will involve additional funding for the child care sector, broadly as follows:

- a) The Government will pay 50% of the child care sector's fee revenue (presumably, this would be paid to each eligible child care and early learning centre) up to the existing hourly rate cap.
- b) The additional funding will apply from 6 April 2020, based on the number of children who were in care during the fortnight leading into 2 March 2020, whether or not they were attending care.
- c) The additional funding will only be available as long as centres remain open and do not charge families for care.
- d) The payments made under the relief package will commence to be made at the end of next week and will be made in lieu of the Child Care and Additional Child Care Subsidy payments.
- e) Payments of higher amounts will be available in exceptional circumstances, such as where greater funding is required to meet the needs of emergency workers or vulnerable children.
- f) Until the payments are made, the Government will allow centres to waive gap fees for families who keep their children home, and families will be able to use the 20 extra absence days the Government has funded for Coronavirus-related reasons without giving up their place in a centre.

- g) The new funding arrangements will be reviewed after one month, with an extension to be considered after three months.

The Prime Minister's Media Release also advises that, families who have terminated any child's enrolment since 17 February 2020 should get in contact with the relevant centre to re-start the child's enrolment. Furthermore, re-starting a child's enrolment:

- will not require families to send their children to child care;
- will not require families to pay a gap fee; and
- will hold the child's place at the centre for the point in time when things start to normalise and families are ready to take their children back to their centre.

In a separate media statement, the Minister for Education, Dan Tehan, also indicated that means- testing arrangements to access the child care subsidy for those who are working during the six-month Coronavirus pandemic will no longer be in place.

For further information, please contact us.