

PORTFOLIO REPORTS - STATE COUNCIL

Early Childhood Report

Jane Hughes – Portfolio Holder, March 2022

On 12th March 2021 the Department of Education, Skills and Employment (DESE) announced the gap fee waiver provision for early learning settings had been extended nationally from 31st January 2021 until 30th June 2021. Services directed to close by a local authority due to COVID-19 could now waive gap fees until 30th June 2021.

On 2nd May 2021 the Hon. Alan Tudge Minister for Education and Youth announced a \$1.7 billion package to make childcare more affordable for Australian families. Around half of Australian families are eligible to receive a 95% subsidy for their second and subsequent children increased from 85%. The \$10,560 per child annual subsidy cap will also be removed.

The Hon. Alan Tudge also approved an extension of the transitional provisions for In Home Care (IHC) educators working in remote and very remote areas for a further two years, until 31st December 2023.

On 18th October 2021 the new National Children’s Education and Care Workforce Strategy, Shaping our Future was released.

The strategy aims to foster a sustainable and high-quality workforce of early childhood educators and teachers over the next 10 years.

Below is a link to their website.

<https://www.acecqa.gov.au/national-workforce-strategy?fbclid=IwAR1XofVkn4WAP06XX6jgBxNKEqvPk1SVqk2AaYxWZv2zBlag39qjUPoX4Oc>

COVID-19 update for early childhood care and education sector:

GAP FEE WAIVING

Until 30th June 2022, services can waive the gap fee and receive Child Care Subsidy (CCS) if a child is unable to attend care for one of three reasons:

1. They, or a member of their immediate household, must isolate due to COVID-19. Services should also, where possible, sight evidence from families required to isolate (such as an SMS or app notification) and keep this on record. This applies from 9th November 2021.
2. The service, or a room at the service, is closed due to COVID-19 on written advice from a state or territory government such as a health, education, or regulatory agency. This includes where:
 - A Family Day Care or In Home Care educator cannot provide their usual service because they, or a member of their immediate household, is quarantining or isolating.
 - An Outside School Hours Care service operating on a school campus is required to close as part of a direction to the school to close.

- Where the service or a part of the service closed because educator to child ratios cannot be safely met. Services are encouraged to explore all options to remain open. This applies from 1st October 2021 for the duration of the closure outlined in the advice.
3. The state or territory has restricted access to childcare in a region due to COVID-19 (or has restricted school attendance in the case of Outside School Hours Care). This applies from the first day the restrictions are in force.

Services must not waive the gap fee for families in any other circumstances.

If a family chooses to keep their child at home, they may use their allowable absences but must pay a gap fee to the service.

Services must:

- keep a record of the advice by a state or territory authority advising that they close.
- accurately reflect waived gap fees in the fee statements provided to parents.

General information about gap fee waiving

Families who receive CCS must ordinarily make a co-contribution to their childcare fees under Family Assistance Law. They do this by paying the difference between the provider's fee and the CCS amount. This is known as the gap fee. Website link: <https://www.dese.gov.au/covid-19/childcare>

The Committee for Economic Development of Australia (CEDA) are looking into the effects of COVID-19 on working families with their ability to access childcare and the effects on childcare centres with many parents losing their jobs and not being able to afford childcare so they can return to work.

The DESE announced the removal of the annual cap for all families who get CCS.

Below is an extract from the website followed by a link to the site.

From 10th December 2021, we are removing the annual cap for all families earning over \$190,015 (2021–22 terms). This gives families more choice about work and care.

If a family has already reached the CCS annual cap before 10th December their CCS may have stopped. Services Australia will automatically reassess their CCS entitlement for this time. They will back pay CCS for affected sessions of care.

From 7th March 2022, families with more than one child aged 5 or under in care will get a higher subsidy for their second child and younger children.

The standard rate child will get the standard CCS rate. This is usually the eldest CCS-eligible child aged 5 or under in the family. Younger children will get a higher subsidy.

Families may be eligible if they:

- *earn less than \$354,305*
- *have more than one child aged 5 or under in childcare.*

Eligible higher rate children will receive a 30% higher subsidy, up to a maximum 95%.

Families will continue to receive their income tested CCS rate for all children. Children eligible for the higher rate will have the increase automatically included in their CCS percentage reported to services.

<https://www.dese.gov.au/child-care-subsidy/higher-child-care-subsidy-and-removal-annual-cap>