

Federal Government Assistance to Child Care Sector

Announcement of new Commonwealth Government funding arrangements for child care centres as a consequence of COVID-19 health crisis

The Prime Minister and Minister for Education have announced new funding arrangements designed to ensure the continued viability of the sector in the face of student withdrawals resulting from the COVID-19 health crisis.

Who is impacted?

After vigorous lobbying by the sector, and in the face of plummeting enrolments from child care centres as a result of the COVID-19 crisis, the Commonwealth Government has announced that it will underwrite the revenue of the sector with effect from 6th April 2020.

The new arrangements will cover:

- Free access to childcare for duration of the coronavirus pandemic for around 1 million families
- The Government will pay 50% of a centre's fee revenue up to the existing hourly cap rate based on attendance in the fortnight up to 2nd March 2020
- The funding will apply to all centres that remain open and do not charge families for care, with effect from 6th April 2020
- The arrangements replace the existing Child Care Subsidy (CCS) and Additional child Care Subsidy payments

The new funding model will be reviewed after a month and remain in place for an initial period of 12 weeks.

Around 13,000 child care centres across Australia will benefit.

The measures are in addition to the already announced JobKeeper payments.

The previously announced Community Child Care Special Circumstances Fund for services impacted by COVID-19 will continue.

The support for the sector comes on top of previously announced State and Federal COVID-19 stimulus packages, details of which can be found on the dedicated [ShineWing COVID-19 website](#).

How can ShineWing Australia help?

ShineWing Australia can assist you in applying for government assistance, understanding the impact these new arrangement have on your service, your cash flow, your profitability and your staff.



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