



Australian Childcare Alliance
New South Wales

27 August 2021

The Hon Alan Tudge MP
Federal Minister for Education
Parliament of the Commonwealth of Australia
Parliament House
CANBERRA ACT 2600

Dear Minister Tudge,

**Re: Avoiding the clawback of Child Care Subsidies following
14 weeks' of absences as well as termination of enrolments
when families comply with NSW Government's stay-at-home messages**

Firstly, the Australian Childcare Alliance (ACA) NSW is most appreciative of you and the Federal Government for the new Business Continuity Payments that was announced on 23 August 2021. Without doubt, this will assist a significant percentage of negatively affected early childhood education and care (ECEC) service providers across New South Wales.

Although I am aware that you and your Federal Department are working on this issue, I write to you raising ACA NSW's considerable and growing concern about the impending clawback of Child Care Subsidies due to the 14-weeks' of absences of a number of children as well as the termination of enrolments when so many families comply with the NSW Government's stay-at-home messages.

This clawback of Child Care Subsidies arises primarily from Section 200B of [A New Tax System \(Family Assistance\) \(Administration\) Act 1999](#).

Having now experienced 9 weeks of lockdowns and restrictions across Greater Sydney (including the Blue Mountains, the Central Coast, Wollongong and Shellharbour), NSW-based ECEC services are extremely anxious of the consequences of Section 200B when:

- (a) children continue to be absent at the end of their fourteenth week (ending 1 October 2021) (due to the NSW Government's stay-at-home messages); and
- (b) children's enrolments are terminated before their fourteenth week of absences and they do not physically attend their last day (due to the NSW Government's stay-at-home messages),

Next week, ACA NSW will share with you the data from NSW-based ECEC services who are anticipating the dire consequences of significant Child Care Subsidies automatically removed from their bank accounts.

In the meantime, your assistance and intervention on this would be greatly appreciated.

Thanking you in anticipation.

Yours sincerely,



Chiang Lim
CEO

cc The Hon Sarah Mitchell MLC, NSW Minister for Education and Early Childhood Learning
The Hon Damien Tudehope MLC, NSW Minister for Finance and Small Business
Paul Mondo, National President, Australian Childcare Alliance

ABN 60 277 501 947
PO Box 660, Parramatta NSW 2124
nsw@childcarealliance.org.au
1300 556 330 1300 557 228
www.nsw.childcarealliance.org.au
@ChildCareNSW
/ChildCareNSW
/child-care-new-south-wales