

Outside School Hours Care services facing collapse from consecutive Victorian lockdowns

A coalition of Australia's major Outside School Hours Care (OSHC) service providers has warned that large parts of the sector face the threat of collapse without urgent national support from the Federal Government, with up to half of OSHC services in New South Wales and Victoria currently considered unviable.

A number of OSHC providers have begun closing centres across Metropolitan Melbourne, with additional services flagged for potential closure and possible staff layoffs expected over coming weeks, if the situation persists.

Providers being forced to close cite a lack of support from the Federal Government.

While the Federal Government has provided support to NSW providers which allows them to waive the gap fee for parents and claim the childcare subsidy for bookings, no such support has been provided to Victorian services who have operated through more lockdowns, for a longer cumulative duration, than their NSW counterparts.

In order to ensure the provision of care for vulnerable children and those of essential workers, OSHC services are required to stay open during Government-mandated lockdowns and have been doing so at their own expense through four Victorian lockdowns in 2021 so far, without support or assistance.

OSHC services, which are tied to schools policy, have been impacted more adversely than any other part of the sector as schools have moved to learning from home. The closures are being described as an "absolute last resort" by OSHC services which, with attendances down by 80%, have incurred crippling losses in order to maintain safe care arrangements for families who need it.

This comes at a time when the OSHC sector remains under immense strain from the ongoing impacts of the pandemic, having continued to operate through consecutive lockdowns to ensure the continuity of care, despite the debilitating effects this has had on the viability of many providers around Australia.

The OSHC sector is a major and critical component of Australia's childcare sector, accounting for more than one third of its national early childhood education and care market. It is also one of the fastest growing childcare segments as workforce participation grows and an increasing number of families working part-time or doing shift work rely on OSHC services

As a result, the sector is widely recognised as essential to supporting workforce participation and will be as critical as ever to Australia's post-pandemic recovery.

Yet as the number and rate of centre shutdowns and staff losses grows, it will become increasingly difficult to recommence services once schools re-open, and there are serious concerns about the long-term impacts of the shutdowns on existing skills shortages and the structural integrity of the sector.

On the situation for the sector, the Outside School Hours Council of Australia (OSHCA), said; *"At a time of great community need, Outside School Hours Care provides vital support to essential workers who require care and supervision of their children while they are at work. But sadly, the situation for many of our services has become untenable."*

“The Victorian OSHC sector has been given little opportunity to recover and is being forced to operate self-funded through consecutive lockdowns across the state. During each of the two most recent lockdowns, attendances plummeted to around 15% of what they were pre-COVID, and the cumulative impact on services has been absolutely debilitating.

We are heartbroken for our childcare professionals, who provide a vital and valuable service, but without a change to the funding model we simply have no revenue coming in. We need a resolution from Government on assistance to the sector immediately.

The situation is now critical, and we are currently in our sixth lockdown in Victoria, further lockdowns likely, a morale and legal requirement to remain open and no sector-specific support for what we were told is an essential service.”

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