

**SENATE STANDING COMMITTEE ON
EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS**

**QUESTIONS ON NOTICE
BUDGET ESTIMATES 2009-10**

Outcome 1

DEEWR Question No. EW0103_10

Senator Hanson-Young provided in writing.

Question

Ensuring that ABC Learning does not happen again

What measures have been taken by the Government to ensure that another ABC Learning saga cannot happen again with another profit corporation?

Answer

When ABC Learning became insolvent, the first priority was stability and continuity of care for affected families. As that situation has been stabilised, a number of measures have been taken to address some of the specific issues raised by the ABC Learning insolvency.

The application form for approval of services to receive Child Care Benefit has been changed to ask questions related to bankruptcy, receivership and insolvency in a broader range of circumstances. Implementation of a new child care payment system (CCMS) has been completed, which will help drive better business practice. Information on child care vacancies through the MyChild website is being improved to help parents find alternative care when needed. The Family Assistance Legislation Amendment (Child Care) Act 2009 has tightened the obligations on child care services to provide notice to both parents and the Department where they intend to cease operating a service. This legislation also enhances the child care compliance framework and strengthens civil penalties for fraud and non-compliance.

More broadly the Government is seeking to raise quality and standards in the early childhood sector through the Council of Australian Governments (COAG). This includes the development of National Quality Standards to ensure that the same minimum quality standards are achieved regardless of where children attend early childhood education and care. An important aspect of the draft National Quality Standard being considered in collaboration with the States and Territories will be leadership and management of child care services. Public consultation on the National Quality Standard has commenced and will continue to the end of August.