

20 March 2020

The Hon. James Merlino  
Deputy Premier  
Minister for Education  
[James.merlino@minstaff.vic.gov.au](mailto:James.merlino@minstaff.vic.gov.au)  
Level 3 - 1 Treasury Place  
East Melbourne, VIC 3002

Dear Minister,

**Re: Sustainability funding for Victorian ECEC services to address the impact of the COVID-19 virus**

Between the bushfire crisis, incidence of sporadic flooding and now the COVID-19 pandemic, it's certainly been a challenging start to 2020. It's a real pity because we have so much to celebrate with the kindergarten expansion program in Victoria successfully launching.

The scale and impact of the current COVID-19 pandemic has the potential to be significantly disruptive to Victoria's economy, families, children and education system. Already, we are collectively hearing from our members that attendance in early childhood education and care services is rapidly decreasing as a result of the pandemic.

We are sympathetic to the challenges faced by the Victorian Government in appropriately responding to the COVID-19 pandemic. We would like to collectively acknowledge the State Government's previous \$5B investment in Victoria's kindergarten expansion program. We would also like to acknowledge the State Government's initial response to COVID-19 by continuing existing State kindergarten funding streams, even if there are service interruptions for families or services linked to the pandemic.

Despite these investments, there are immediate and significant risks to the financial sustainability of all early childhood education and care services funded by the Victorian Government. With attendance already reducing rapidly across the sector, there is a risk already that parent fee revenue is reducing rapidly, either by way of refunds or non-collection due to parents withdrawing their children. In addition to the revenue shortfall, services are also likely to experience significant additional costs associated with higher than normal leave requirements and the increased use of casual relief staff.

The impact of this revenue shortfall and additional costs will have major detrimental impacts on the Victorian early childhood education and care sector, including:

- Disrupted access to early childhood education and care for children
- Immediate financial viability risks to already strained approved providers
- Risks to role security, salaries and the financial wellbeing of over 10,000 early childhood staff if employees are stood down without pay, if roles are diminished, or jobs made redundant.
- Significantly compromised delivery of the kindergarten expansion program and other reform initiatives, including school readiness.




To mitigate against the major financial risks posed by the COVID-19 pandemic, we are asking the Victorian State Government to prioritise a financial support package to early childhood education and care approved providers. This package must cover any parent revenue fee gap and ensure:

- Continuity of service for those families and children that continue to attend services
- Employment, salary and financial security to teachers and educators
- Financial sustainability of approved providers
- Ensure the successful delivery of the kindergarten reform program.

We are also seeking urgent investment in the development of mechanisms for teachers and educators to connect with groups or individual children and maintain contact with families. This should include expansion of quality online parent-focused resources that services can provide to families to support their children’s learning at home.

Each of the signatories to this letter would welcome the opportunity to meet with you in the near future to discuss the Government’s response. In the meantime, if you have any questions on the above request, please contact any of the following organisational signatories to this letter.

Sincerely,

<b>Name</b>	<b>Signature</b>	<b>Organisation</b>	<b>Position</b>	<b>Contact</b>
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