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## Repositioning Community Children's Services

**Prue Warrilow, National Convenor**

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It's been a busy time since the last ACCS in Action.

ACCS National has been very active lobbying the Federal Government around the collapse of ABC Learning. The result of our lobbying was the assurance by the Federal Government that community-owned children's services would be considered favourably in the bidding process for ABC2.

By the time you receive this edition of ACCS in Action the bidding bid process for ABC2 will have closed and we may know the outcome of who was successful in this process. PPB, the court appointed receivers for ABC2 have indicated in recent press that they received bids for all ABC2 centres.

McGrath Nichol, the receivers for ABC1 (the apparently viable ABC centres) have been running a national advertising campaign trying to stem the loss of families from ABC1 centres.

You may have seen 'Miss Emily' and her cherubic charge happily playing next to the ABC purple teddy bear. The rumour is that families have not re-enrolled for 2009 and child numbers have dropped dramatically. There has been no word of a buyer for these services. We already know that children are too precious for profit - maybe the corporate sector has finally worked this out too.

ACCS will be monitoring what happens with ABC1 and will continue to lobby Federal Government. We don't want Government to make policy on the run in response to the collapse of ABC Learning.

This is a great opportunity for the Federal Government to really consider where it sees community-owned children's services in the future. It is timely to take a step back and thoughtfully consider what is best for children, and if children need to be in out of home care, what the best type of education and care services are for them.

### National Secretariat Report

*Barbara Romeril, National Secretary*

ACCS national executive has been busy co-ordinating our support to the community child care sector in responding to the collapse of ABC Learning while participating in a number of parliamentary and government inquiries and consultations – see elsewhere in this newsletter for details.

We held a national teleconference of

branch delegates to keep each other up to date and are now planning a face-to-face meeting in May.

One of the issues arising from this work is the need for a national position on the emerging model of community not-for-profit children's services operating in commercial premises; we have commenced the discussion process and will debate

and finalise a position at our national meeting.

The national executive is attending the next meeting of the National Children's Services Forum and has requested an update on the implementation of the National Quality Framework and a discussion of the impact of the collapse of ABC Learning.

## National Issues

### The Collapse of Corporate Child Care - Community Sector Across Australia Steps Up To The Challenge

ACCS has taken a lead role in ensuring that community providers of children's services are at the forefront of solutions to the collapse of ABC Learning; our national summit in December was very well attended and produced a strong communiqué calling on the Federal Government to actively partner with the sector as the proven experts in provision of children's services.

In the new year, as the Receiver's process has emerged, ACCS has published customised information and advice to the community sector, ensuring our members are well informed about the processes the Receiver is undertaking to find new operators, and also well resourced to undertake the essential critical examinations of the risks and benefits of taking over operation of a former ABC centre. In particular we urged community organisations considering making an offer to think hard about the value of the social capital their organisation brings to the purchase offer, and their capacity to take on commercial leases and employee entitlements.

### Submission to the Inquiry into the provision of child care

The Inquiry into the provision of child care was brought about by the Greens in response to the collapse of ABC Learning. The ACCS submission referred to the need for planning controls in the children's services system to ensure corporate chains and private child care providers cannot own significant percentages of child care services.

Some of the main points raised by the submission included;

- Government should fund facilities for not-for-profit services
- Introduction of operational subsidies for community based not for profit services linked to demonstrated outcomes consistent with government priorities
- Assessments of licensing applications must be stringent to exclude unscrupulous and incompetent operators.
- Mandatory standards must not be made lenient or generous in light of the immediate child care crisis.

ACCS reinforced that the not-for-profit sector has the best track record for being committed for the long haul and for being responsive to community needs, and is more stable than the commercial sector which is inherently. You can read the complete ACCS submission at [www.ausccs.org.au](http://www.ausccs.org.au)

### Annual Review of Regulatory Burdens on Business: Social and Economic Infrastructure Services

ACCS submitted a response to the Productivity Commission in February as the review theme for 2009 included child care in its scope.

The ACCS submission drew attention to an extensive list of legislative requirements children's services must comply with in order to access the federal Government's Child Care Benefit.

The ACCS submission detailed the slow response to unsatisfactory quality service – and pointed out the reality that a child could spend all of the early years in a sub-standard children's service.

ACCS has called for a strong regulatory framework for all children's services so children and families can access high quality care and education provided by staff with appropriate skills and experience.

### Uniting for Quality Reform

#### *LHMU National Office*

The LHMU has been campaigning for the rights of all Australians to a strong and well functioning children's service sector since the first child care test case back in 1988.

More recently in 2006 the LHMU completed pay equity and work values cases nationally. Childcare workers secured wage increases of up to 50 percent through these cases. In the same year LHMU organising culminated in the successful negotiation of a collective agreement with the largest corporate provider of childcare in Australia, ABC Learning. This agreement took childcare workers off sub-standard individual Australian Workplace Agreements (AWAs) and secured a Union agreement increasing wages, free training and guaranteed above-award programming time.

After these wins the LHMU realised that for childcare workers to gain the pay and recognition they deserve, the entire childcare system needs to change. This led the LHMU to embark on an ambitious industry reform campaign. The first steps in this campaign were worker consultation, industry research and stakeholder consultation, to determine what needs to change in Australia's childcare system to create quality jobs and quality services.

By June 2008, we were ready to launch our industry reform campaign, BIG STEPS in childcare, with the Deputy Prime Minister, Julia Gillard and allies such as Early Childhood Australia, major childcare employer groups and ACCS (Australian Community Children's Services).

The Big Steps Campaign in childcare seeks to once and for all win professional recognition for our members through acknowledgement of the importance of care and education in a child's early years and to have this

reflected in skills recognition, pay, ratios, and ultimately, national policies, standards and a well funded vision for the sector. Without our membership and collective efforts we cannot achieve these important steps toward reform.

They say that out of adversity comes strength. Through its membership the LHMU has indeed achieved big steps in the wake of ABC's collapse this year. Big steps that have resonated beyond ABC children's centres within the sector. They include:

- \$56 million in federal funding to keep ABC services operating, staff employed, children attending their centres, and parents able to work.
- Securing the wages and entitlements of all 16,000 ABC workers through the federal government scheme "general employee entitlement and redundancy scheme" (GEERS). The scheme can compensate eligible employees for "lost" entitlements (long service leave, annual leave and superannuation) in the event of company liquidation.
- However as ABC has not at this point gone into liquidation, only receivership, ABC's 16,000 employees stood to lose their accrued entitlements (long service, leave, annual leave and superannuation) as the company had no available funds to meet staff entitlements or wait, possibly many months, until the company was wound up. Through extensive lobbying and media exposure by the LHMU, the Minister exercised her discretion to accept ABC employees claims through GEERS.
- The recognition of the importance of ABC staff entitlements as part of the expression of interest process in the sale of ABC2 and further recognition that new operators not only had to be financially stable, but also demonstrate an ability to provide quality.

The Union appreciates that meeting former ABC staff entitlements is a challenging issue for the community sector; however this is safer for our members than reliance on GEERS as it protects accrued progress towards entitlements that are not yet payable such as eligibility for long service leave and protections against unfair dismissal. The Union has met with key ABC2 bidders and discussed this issue and put forward a number of propositions. However challenging the issue of meeting the cost of staff entitlements is for the sector, does not take away from the fact that these entitlements have been accrued by staff and staff have an absolute right to feel secure in the knowledge that these benefits

will be available to access. The Union lobbied both the federal government and the court appointed receiver (PPB) to ensure that staff entitlements were part of the expression of interest process for the sale of ABC2.

The collapse of ABC and the risk to families and childcare staff highlights the great and urgent need

## Reports from ACCS Representatives

### Families Australia Report

#### *Prue Warrilow, FA Board Member*

I was re-elected to the board of Families Australia representing ACCS. Families Australia is Australia's national, independent, peak body dedicated to promoting the needs and interests of families. Recent Families Australia work includes:

- being one of the key players in the Coalition of Organisations Committed to the Safety and Wellbeing of Australia's Children. This group has been actively working with Minister Macklin and her Department FaHCSIA developing a national child protection framework; and
- organising Families Week 2009 which will be held from the 10-16 May. This is a great opportunity for community-owned children's services to celebrate families in all their diversity with those attending their services.

The next board meeting will be 26-27 March 2009 in Canberra. I will be attending this meeting and will report back on any outcomes.

### The New Community Services Training Package Has Been Released

#### *Bruce Hurst, CCC Vic*

In 2007 and 2008, ACCS participated in the Industry Liaison Group for children's and youth services for the review of the CHC02 Community Services Training Package. The Community Services Training Package guides the content of the Diploma and Certificate level courses for children's services professionals. On December 12 2008, the new CHC08 Community Services Training Package was endorsed and will be officially launched in March 2009.

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The new training package contains five qualifications that are of relevance to children's services:

- Certificate III in Children's Services
- Certificate IV in Children's Services (Outside School Hours Care)
- Diploma of Children's Services (Early childhood education and care)
- Diploma of Children's Services (Outside School Hours Care)
- Advanced Diploma of Children's Services

Many changes have been made to these qualifications including new and revised units of competency and the development of a skill set for middle childhood development. The Skill Set is an additional grouping of competencies that a learner can complete in addition to a Diploma of Children's Services (Early childhood education and care). Completing both the Diploma and the Skill Set aims to provide learners with skills and knowledge to be able to work with children aged 5 to 12 years as well as those aged 0 to 5 years. This has the potential to give Children's Services professionals greater flexibility in their careers.

The content of the revised training package represents a good outcome for Children's Services. The five Children's Services qualifications seem to capture the varied roles well. The Middle Childhood Development Skill Set also represents a potentially good outcome for the OSHC sector. It will make it possible for workers to move over to the OSHC sector from an early childhood service relatively easily, which will help to boost the number of qualified workers in that sector, although it does raise the possibility that a worker can assume a position of great responsibility in an OSHC service without ever having had any practical experience in a middle childhood setting.

However, the content of the training package has no impact on the quality of training delivery provided by Registered Training Organisations. Although the content of the five qualifications seems sound, it will be of little use to the Children's Services if RTOs do not maintain high quality training practices that produce graduates who are "work ready" and prepared to deliver high quality care for children.

The State bodies responsible for the registration and licensing of RTOs play a critical role in ensuring that RTOs provide training of a high standard. Our members need to be active in informing these bodies of substandard training practices and the impact they have upon the care our members provide for children and their families. For more information on the CHC08 Community Services Training Package, go to the Community Services and Health Industry Skills Council website at [www.cshisc.com.au](http://www.cshisc.com.au)

# Keeping an Eye on Corporate Child Care

## The Fate of ABC Learning

### ABC Sale Proceeds to Refund Taxpayer

The Australian 19th December 2008 By Natasha Bitá

TAXPAYERS will receive proceeds from the sale of 249 failed ABC childcare centres, the new receiver said yesterday.

The Supreme Court of NSW yesterday appointed insolvency specialists Stephen Parbery and Daniel Bryant, of PPB Corporate Recovery, to try to sell the centres before \$34 million in federal government funding runs dry on March 31.

The centres will be sold only to experienced childcare operators who plan to keep them open.

"Rest assured the commonwealth is very hell-bent on ensuring there are ongoing children's services being provided," Mr Parbery said.

He said he would write to landlords today, and may have to negotiate cheaper rents in some of the unprofitable centres to make them viable.

"That might be a solution in some areas," he said. "That's why we have to look at each individual centre and see what the causes of the lack of profit have been in the past. "They weren't profitable under the ABC model, but that's not to say they're always going to be unprofitable. Some have substantial occupancy in them."

PPB will work in parallel with McGrathNicol, ABC Learning's receiver, which has cherry-picked the 720 most profitable centres to sell and recoup \$1.6 billion owed to creditors.

Mr Parbery said his aim was to sell the 241 unviable centres, as well as 21 centres owned and leased by the Defence Department, which will be bundled into a subsidiary company known as ABC2 Group on January 1. He said it was too early to say whether any centres would be given away, or "gifted", to non-profit groups if they could not be sold. If centres had to close, places would be found for children in other childcare centres.

Mr Parbery said the proceeds of any sale of ABC2 would first go to repay the total of \$56 million in federal funding that has gone to keep ABC's 1040 centres running since its collapse last month. "After that, any surplus will effectively go to the parent company, which is ABC Learning," he said. "That's only fair."

### Some ABC Centres to Close

The Australian 9th January 2009 By Natasha Bitá

Childcare centres that are being propped up with taxpayer funds may end up closing, the receiver running 241 unprofitable ABC Learning centres admitted yesterday. PPB Partner Stephen Parbery would not rule out mergers or closures of the centres that the NSW Supreme Court has appointed him to manage and sell on behalf of the federal government. He confirmed he was

negotiating with ABC centre landlords to reduce rents... Mr Parbery said some centres would have to close if landlords decided to pull out of leasing arrangements after March, went the taxpayer funding to pay the rent runs dry.

## Foreigners Show Interest in ABC Learning Centres

Courier Mail 25th January 2009 By Liam Walsh

Canadians, Singaporeans and Britons are among bidders for 241 "unviable" ABC Learning childcare centres put up for sale by PPB.

PPB, which runs the sale process, had received almost 800 initial offers but the field narrowed to 620 with a deposit due last week.

Bidders range from local not-for-profit operators to private business Ramsay Bourne.

Ex-childcare entrepreneur, who headed the Peppercorn operation sold to ABC in 2004, confirmed his interest following industry speculation reported last week in The Courier-Mail.

## Confidence ABC Key

Herald Sun 28th January 2009 By Liam Walsh

RECEIVERS controlling the bulk of ABC Learning centres are pitching a "don't worry" message to parents and staff, saying they have reined in a business bent on "out-of-control expansion".

In November banks appointed McGrathNicol to ABC, which once boasted 2300 centres in four countries, when the childcare operator collapsed.

Since then McGrathNicol has shut 55 Australian centres, costing more than 100 jobs. Another 241 centres are supported by taxpayer funds and controlled by court-appointed receivers PPB.

McGrathNicol is left with a "core" 720 Australian centres. But ABC has been battling negative headlines, such as when centre staff told of toys being carted away in front of children.

ABC has since launched a national enrolment campaign and McGrathNicol receiver Chris Honey yesterday spoke to media, saying the key was "restoring" confidence...

"I'm focused . . . on the operational transformation of this business, moving it away from a business that was, putting it bluntly, on an out-of-control expansion," he said. "It had lost sight of its true core business of providing childcare and early education.

## Former Childcare Minister Larry Anthony Lobbied for ABC Learning

The Australian 29th January 2009 By Natasha Bitá

FAILED childcare chain ABC Learning paid one of its directors, former childcare minister Larry Anthony, more than \$235,000 to lobby governments on its behalf.

My Anthony, who still sits on the board of the collapsed childcare corporation, also pocketed up to \$65,000 a year in director's fees.

His private company, Larry Anthony & Associates Pty

Ltd, earned \$125,000 in 2007 and \$110,000 in 2006, according to ABC Learning's annual reports.

Mr Anthony, the architect of the Howard government's free-market approach to childcare, said yesterday his consultancy work for ABC continued for "a couple of months" last year. "It was terminated in 2008," Mr Anthony told The Australian.

Asked why a company would need to pay a director consultancy fees for advice, he replied: "I was doing a lot of government relations work with them."

As the federal community services minister from 1999 to 2001 and minister for children and youth affairs from 2001 to 2004, Mr Anthony engineered the Howard government's revolution in childcare.

By axing operational subsidies for community-based centres and subsidising fees to parents, the Coalition government gave carte blanche to the private sector to expand the childcare market.

## Buyers for ABC Scared Off

The Australian 27th February 2009 By Natasha Bitá

TAXPAYERS are unlikely to claw back the \$56 million spent propping up failed ABC Learning Centres, as high rents and plunging enrolments scare off potential buyers. The receiver of the 241 "unviable" childcare centres now on the market, PPB partner Stephen Parbery, yesterday revealed 180 parties had lodged binding bids to buy them. But he doubted the sales would yield enough to repay the federal Government all the funds spent to keep centres running until the end of March. "I don't think it's envisaged there will be a sale price to that extent coming out of the process," he told The Australian. "But I think it's a good sign that we've had 180 different parties coming along this road. It's in line with our expectations." My Parbery said each of the 241 centres had attracted a bid, but refused to give any financial details of the offers. High rents on properties – some as high as \$700,000 a year – have scared away more than half the 470 parties that lodged expressions of interest in buying centres last month.

## The Community Sector Responds

### Non-Profit Buyers Targeted for Child Care Centres

The Age 14th January 2009 By Dan Harrison

The federal Government hopes to turn 241 ABC Learning centres over to non-profit groups to prevent a repeat of the chaos of last November when the care of more than 100,000 children was jeopardised by the collapse of the child-care giant...

Acting Prime Minister Julia Gillard told The Age she had asked the receivers to look favourably on offers that would inject diversity into child care, particularly from non-profit groups. A commitment to "leading-practice" employment approaches, including a willingness to take on the accrued entitlements of former ABC Learning

employees, is another of the criteria that will be used to assess the proposals. "Obviously absolutely top of mind and mandatory in all of this is the stable, ongoing provision of quality child care, which includes the early learning programs that the Government is committed to as a new feature of our child-care system," Ms Gillard said. She said small for-profit child-care companies were not excluded from managing some of the centres, but the Government believed that greater diversity would make the sector more stable in the long term.

"We think the ABC Learning experience shows that if you allow a lot of market concentration... you can end up where we were in early November 2008, which is the biggest child-care company in the country teetering on the brink of creating absolute chaos in the child-care system without prompt action by government..."

## **Community Group and Bendigo Bank Eye Unviable ABC Childcare Centres**

The Australian 17th January 2009 By Natasha Bitá

A CONSORTIUM of charities and community childcare operators has teamed up with a bank to swoop on all 241 failed ABC childcare centres on the market. The group, calling itself Children 21, is led by Community Childcare Co-operative NSW and involves Community Sector Banking, a joint venture of the Bendigo and Adelaide Bank. "The idea is to manage the 241 centres as a group, in a single administrative body, and then work with a range of other not-for-profit community sector groups to help operate the individual centres, a Children 21 spokeswoman told *The Weekend Australian*. "We have got to enter a due diligence process." The spokeswoman said profit from individual centres would be ploughed back into the group, so viable centres could help cross-subsidise unprofitable ones...

C&K, the Queensland-based childcare giant that pulled out of the Children 21 consortium before Christmas, is planning to launch a rival bid for failed ABC centres in Queensland and northern NSW. C&K chief executive Barrie Elvish said yesterday the non-profit operator planned to merge ABC centres with its existing 330 kindergartens and 30 long daycare centres in Queensland. "Our plan of attack will be to use our existing network to consolidate services," he said.

Mr Elvish warned that the federal Government would have to subsidise commercial leases unless the receiver of the 241 centres, PPB partner Stephen Parbery, negotiated cheaper rents with landlords. "I can't see any way a community organisation is going to come in and pick up a \$100,000-a-year rent on a centre that is running at a loss," he said.

"We have higher staffing costs and higher resourcing costs than ABC, and if ABC can't make it work running the McDonald's model of childcare, it won't be possible for anyone else to make money either without an operating subsidy."

Existing childcare operators will be given priority in bids to take over the 241 ABC centres, which are staying open with \$34 million in taxpayer funds until the end of

March. All the centres are being leased from landlords, so only the childcare businesses – rather than the land and the buildings – are on the market...

## **Local Government Calls for Child Care Revival**

GovernmentNews.com.au

24th February 2009

By Staff Writer

The Australian Services Union (ASU) has urged the Federal Government to transfer child care to local government following the collapse of private sector companies, such as ABC Learning Centres. In a submission to the Senate Committee on the provision of child care, the union representing local government child care workers said there was a clear need for alternative models to private sector service providers. "The inevitable outcome of having private providers of child care is continual cost cutting to protect the profit margin," ASU national secretary Paul Slape said in a statement.

"On average for-profit services offer lower wages and conditions to their staff, have higher staff turnover and greater reliance on casuals."

Slape said staff costs at not-for-profit providers, including local government centres, were around 80 to 85 per cent of total costs, but at corporate centres wages represented only half the costs.

"We need to concentrate on quality child care – profit should be a secondary consideration," he said.

"Local government, with its close links to the community is the logical sphere to create a high quality child care sector that meets the needs of parents and children..."

## **It's Not Just ABC ...**

### **CFK Childcare Enters Administration**

ABC News 19th November 2008

Another childcare centre operator has gone into administration. CFK Childcare runs about 40 centres in New South Wales and has told the Australian Securities Exchange it has been losing about \$400,000 a month. In a statement, the company says it was unable to finalise the \$8.5 million sale of some of its centres to ABC Learning which called in administrators earlier this month. The directors of CFK Childcare say they will work with administration to keep as many centres open as possible.

### **ABC Linked to Centre Closures**

The Age 20th December 2008 By Dewi Cooke

A child-care company with links to collapsed giant ABC Learning will close 14 centres, the bulk in Victoria, leaving hundreds of parents scrambling for child-care places just days before Christmas.

The Neighbourhood Group, owned by Neighbourhood Early Learning Centres, will close at least 14 child-care centres on December 31. Nine are in Victoria including

Woodend, Gisborne, Colac, Yarra Glen and Cobram West. Many were once owned by ABC Learning but were transferred to the control of Neighbourhood Early Learning Centres late last year.

The connections between ABC and Neighbourhood Early Learning Centres are also personal: NELC's chief executive is Viryan Collins-Rubie, the girlfriend of ABC owner Eddy Groves, and Neighbourhood Early Learning Centres is owned by Mr Groves's former brother-in-law, Frank Zullo. Company records show Mr Zullo is sole director of the Queensland-based company...

Parents told *The Age* that when NELC took over their centres last year they were assured of no links between the company and ABC...

According to local government records, ABC is the leaseholder for the sites of at least two of the centres that will close – Woodend and Gisborne. ABC also holds the state government-issued licences to operate centres in Brighton, Cobram, Gisborne, Colac and Yarra Glen...

A spokesman for McGrath-Nicol said that NELC was separately owned and operated and was not included in the ABC Learning receivership. The decision to close was made by NELC, he said.

## Fourth Childcare Group hit by ABC Collapse

The Australian 13th January 2009 By Natasha Bitá

A FOURTH childcare chain with links to the collapsed ABC Learning is set to close more centres.

TenFour Pty Ltd is talking to parents and staff about them taking over two of its eight centres. The company is owned by Doug Lomas, a Gold Coast entrepreneur who is a director of the failed CFK childcare chain, which fell into receivership after ABC's collapse in November.

A spokesman for TenFour yesterday said its Victorian centres in the Gippsland town of Moe and the outer Melbourne suburb of Narre Warren had to be sold or closed because ABC Learning still held the lease.

"There are only two we are looking at closing," he said.

"We are looking potentially at parents taking over Moe and the staff taking over Narre Warren."

The Tenfour website lists six centres in Victoria – excluding the two marked for transfer – but the spokesman said the company owned only "three or four" centres, which were unaffected by ABC's demise.

The Moe and Narre Warren centres had been part of the Kids Campus group, which was sold to ABC in 2006. The Australian understands Mr Lomas, who had been a major shareholder of Kids Campus at the time, bought the two centres from ABC through his company TenFour but ABC kept the leases.

## Five Childcare Centres Now in Doubt

The Age 26th February 2009

The Federal Government will rethink 18 planned new childcare centres following the collapse of ABC Learning.

The centres – including five planned for Victoria – are within 10 kilometres of ABC Learning Centres that have closed or are being kept open temporarily with

Federal Government support. The planned centres were among 38 priority locations announced by the Federal Government in the May budget, and were to be built by next year. But officials from the Department of Education, Employment and Workplace Relations told a Senate estimates hearing yesterday that the Government was "carefully considering" how best to provide early learning and care services in the remaining locations on a case by case basis. The Victorian centres that are now in some doubt include those planned for Upwey, Hurstbridge, Tullamarine, Bendigo and Moe.

The Government has promised to eventually establish 260 early learning and care services in areas of unmet demand, where possible on school, TAFE or university grounds.

## Fund Puts ABC Sites on Market

West Australian 20 February 2009 By Cathy Saunders

The fallout from the demise of ABC Learning continues, with 43 sites being tipped on to the market by fund manager Austock Property Management, which expects to pocket more than \$40 million.

The child-care centres, which include 5 in WA, closed after ABC Learning fell into receivership in November with \$1.6 billion in debts.

Austock, which manages funds on behalf of three real estate groups, including the listed Australian Education Trust, is marketing the properties through a public expression of interest campaign in a bid to claw back some cash. The centres are considered likely to be taken up by a new set of child-care centre operators or other groups eyeing community uses, specialist medical use, consulting suites or aged-care services. Developers considering residential apartments may also be interested.

The 43 properties are in capital cities and regional centres across Australia, with 15 in Victoria, 10 in Queensland, seven in New South Wales, six in South Australia plus the five in WA – Lesmurdie, Thornlie, Midvale, Seville Grove and Albany.

Selling agent Andrew Wood, Jones Lang LaSalle's managing director in Victoria, said marketing of the freehold sites would begin next week for prices between \$1 million and \$2 million.

"We expect that the regional sites will attract strong interest due to their scarcity and the lack of supply of child-care services in these locations," Mr Wood said. "There are inquiries from several groups, including church groups who are concerned that there is no longer a child-care facility to service their communities." Austock will also consider leasing the sites, which average about 2000sqm, for yearly rents ranging from less than \$100,000 up to \$200,000.

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[www.ausccs.org.au](http://www.ausccs.org.au)

for information on each state and territory  
 branch including email contacts.

## And It's Not Just Australia...

### Buyers Sought for ABC Centres

BusinessDay.co.nz 17th December 2008 By Aaron Lim

ABC, New Zealand's biggest childcare centre operator, is to be sold off by its embattled Australian parent company. Last month ABC New Zealand said it was operating as a profitable and successful standalone entity after a group of companies associated with ABC Group Australia were placed in receivership. "Expressions of interest are being sought for the purchase of ABC Developmental Learning Centres (New Zealand) Limited," a spokesperson for receivers McGrath Nicol said today.

McGrath Nicol stressed that ABC New Zealand was not in receivership and was operating separately from its Australian-based parent, ABC Learning Centres Limited. "An information memorandum will be issued in January 2009," McGrath Nicol said.

ABC Australia became a victim of the global credit crisis when it was forced to concede defeat because of its crippling bank debt, which jumped almost 20 times in three years. ABC entered the New Zealand market in 2006 with 28 centres. It now has 119 and is planning to add four more.

## Branch Reports

### ACCS NSW

*Lisa Bryant*

At the last ACCS NSW branch meeting in December we discussed ratios, CCMS, the Preschool Investment and Reform Plan, Early Years learning Framework, Accreditation and the ARACY National report card.

1. 1:4 ratios

State Minister for Community Services, Linda Burney is committed to the implementation of the 1:4 ratio for babies and said in a meeting with Community Child Care Co-op that there will be no trade offs for the ratio.

2. CCMS

75% of services have transitioned. If services have difficulties in getting through to the departmental helpline, they should let ACCS convenor Carol Lymbery know, so ACCS can advocate about the need for a responsive timeline.

3. Preschool Investment and Reform Plan (PIRP)  
The meeting was told that CCCC was the preferred tender for most NSW regions for the Growth Places program under PIRP.

4. ARACY National Report Card on the Wellbeing of young Australians

Carol Lymbery provided a summary presentation of the the ARACY Report Card (a unique report comparing indicators of well being for children and young people) for the total Australian population, the Indigenous Australian population and international comparators. The Report Card shows that In Australia, Indigenous children do not fare as well as non-Indigenous children, and fare substantially less well than the best comparators internationally.

ACCS NSW branch has made comprehensive

submissions in recent months to state and Federal Governments. These included a response to the NSW State Government Regulation Review Discussion Paper, a response to the National Quality Framework discussion Paper and a submission to the Senate's Education, Employment and Workplace Relations Committee Inquiry into the Provision of Childcare.

### ACT Branch

*Kerry Fitzroy*

The commencement of 2009 has seen children's services in the ACT engaged in some new initiatives and changes.

The ACT Government's four new Early Learning Schools for children aged birth to 8 years old have commenced operating and it will be an interesting and exciting time with a new model of service delivery for children and families. The government recently tendered for the delivery of the long day care services within these schools and C & K Community Children's Services in Queensland was successful in receiving the tender. The Children and Young People Act 2008 was passed by the ACT Legislative Assembly on 1st July and new Regulations of Childcare Services will commence on the 27th February. ACCS ACT members reported the impact the new regulations will have on services is still uncertain and will be determined once services begin to adopt the legislation.

Lastly the recent ABC collapse is not expected to affect the ACT's eight ABC services as they are expected to continue to provide children's services into the future under different ownership/governance arrangements.

### Victorian Branch

*Barbara Romeril*

The Victorian branch of ACCS is busy engaging with the draft Children's Services Regulations including for the very first time state regulations for Outside School Hours Care and Family Day Care in Victoria.

It is very encouraging to see the Victorian Government proposing reasonable standards for OSHC and FDC and also proposing improvements to standards for the services that have been regulated for some time – long day care, kindergarten and occasional child care – including 1:4 carers for babies.

However these draft regulations are also deeply disappointing – they are not leading the way in good standards for children; what they propose falls far short of best practice and really only catches up with other states and territories.

We are encouraging CCC members to tell the Victorian Government what standards we want for all children's services. CCC has been actively responding to the collapse of ABC Learning, working hard to support community organisations across the state to make realistic bids for centres in areas of genuine need, without taking on onerous commercial rents or heavy financial commitments to pay the industrial entitlements that ABC should be funding.