

Answers to Frequently Asked Questions

We have included answers to some common questions we have been receiving on the transition arrangements following the Minister for Education Dan Tehan's announcement on Monday 8 June 2020.

Remember to regularly check our <u>Frequently Asked Questions</u> for further updates.

What arrangements will be in place when the Early Childhood Education and **Care Relief Package ends?**

From 13 July 2020, the Child Care Subsidy (CCS) and Additional Child Care Subsidy will return, along with new transition measures to support the sector and parents as they move back to the subsidy.

To ensure Government support is appropriately targeted, JobKeeper will cease from 20 July 2020 for employees of a CCS approved service and for sole traders operating a child care service.

In recognition that this is a transition period from the Early Childhood Education and Care Relief Package (Relief Package), all approved services will receive a Transition Payment, instead of JobKeeper, for the period 13 July 2020 to 27 September 2020.

What are the new Transition Payments?

Transition Payments are up to 25 per cent of services' fee revenue or the existing hourly rate cap, whichever is lower, in the relevant reference period. This is the same reference period (for the majority of services, the fortnight preceding 2 March 2020) that has been used during the Relief Package.

Are there any additional conditions on the Transition Payments?

Conditions of accessing the Transition Payments include:

- •services do not receive JobKeeper from 20 July 2020 (the beginning of the JobKeeper fortnight)
- services must maintain the same fees charged during the relevant reference period
- services must maintain the same average number of employees.

When will I start receiving Transition Payments?

The detail around the timing and intervals for making Transition Payments is still to be confirmed, but Transition Payments will be backdated to 13 July 2020. We will provide further information on this as soon as possible.

How often will Transition Payments be made?

The detail around the timing and intervals for making Transition Payments is still to be confirmed. We will provide further information on this as soon as possible.

Can I opt out of Transition Payments and increase my fees?

As a condition of receiving the Transition Payments, services must maintain the same fees charged during the relevant reference period, until 27 September 2020. If a child care provider wants to increase their fees, they must apply to the Department of Education, Skills and Employment to 'opt out' of receiving the Transition Payments.

Can I opt out of Transition Payments and receive JobKeeper instead?

Providers may choose to opt out of receiving the Transition Payments, however, employees will not be able to receive JobKeeper.

Beware of scam emails seeking your personal information

Please be aware there are phishing emails doing the rounds on email and social media.

Below is an example of one such email, which claims to be from Services Australia. This email is not from Services Australia. It is a scam seeking your personal information.

The ACCC provides advice on how not to "fall for a scammer's phishing bait" - we encourage you to visit their website for further information.



Australian Government

Services Australia

Our Reference: 14-A0-931C67 Saturday, June 6, 2020

Subsidy Benefit Allocation.



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