



FAMILY DAY CARE AUSTRALIA
**FAMILY DAY CARE
SECTOR PROFILE**
JUNE 2019



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1. Introduction

This report is Family Day Care Australia's (FDCA) eleventh quarterly report profiling the family day care sector.¹

The report consolidates and analyses a number of data sources, including FDCA internal member data² as well as data from the Australian Children's Education and Care Quality Authority (ACECQA) and the Australian Bureau of Statistics, to provide ongoing insight into the nature of the family day care sector.

The report provides information and analysis relating to the general profile of the family day care sector, the location of educators and services by remoteness area and socio-economic disadvantage, educators' age, and services' National Quality Standard (NQS) quality ratings.³

Information in this report is presented from the June 2018 quarter to the June 2019 quarter, however the primary focus of the analysis relates to the changes between the March 2019 quarter and the June 2019 quarter.

In addition, Section 1.2, "Family Day Care in Action", showcases the unique strengths of family day care to meet the diverse needs of children and families in Australia. In this edition we take a look at Darwin Family Day Care's Bush School program.



1.1 About Family Day Care Australia

FDCA is an apolitical, independent, not for profit, national member association representing family day care educators and approved family day care services.

Our mission is to represent, support and promote the family day care sector in delivering high quality early childhood education and care to more Australian children. For more information about FDCA go to familydaycare.com.au

¹ All FDCA Family Day Care Sector Profile reports can be accessed at <http://www.familydaycare.com.au/representing-you/sector-profile>

² All FDCA data provided within this report is presented in line with FDCA's Privacy Policy.

³ Due to rounding, individual percentages in the tables and figures may not add up to 100%.

1.2 Family Day Care in Action

With an emphasis on cultural sharing and connecting children to culture and community, Darwin Family Day Care's Bush School Program is truly unique.

The Bush School program provides immersive cultural learning where children, educators and Indigenous Elders come together and share Aboriginal ways of knowing and being in an experiential setting.

Over the last two years, the Bush School has been held in a variety of settings that support connection to the land and includes experiences facilitated by 23 Elders across eight clan groups in the Northern Territory for 68 educators in groups of up to 20 children at a time. The Elders have shared their knowledge through language, traditional music, songs and dance, dreamtime stories and yarning circles. Educators, children and Elders explore the land, discovering new understandings about bush tucker, bush remedies, Indigenous seasons and linking cultural knowledge to the community we live in. The Elders teach educators and children how to strip, dye and weave Pandanus leaves and the intricacies of

cooking magpie geese, kangaroo tails, mud crabs and long bums on an open fire pit.

Darwin Family Day Care's Bush School provides educators with extended cultural competence learning with which they can further develop skills for communication and interaction across cultures. It provides provocations for reflective thinking and practice that extends understanding of cultural diversity and perspectives of how they are incorporating local Indigenous culture in their curriculum. Each month the Bush School is documented into an annotated photo book for each educator to use as a reference or as a planning tool for their programming and is a very popular resource that is shared with children and families.

In October 2018, Darwin Family Day Care's innovative Bush School initiative was recognised at the Territory Education and Care Awards, winning the "Outstanding Achievement in Community Engagement" Award.

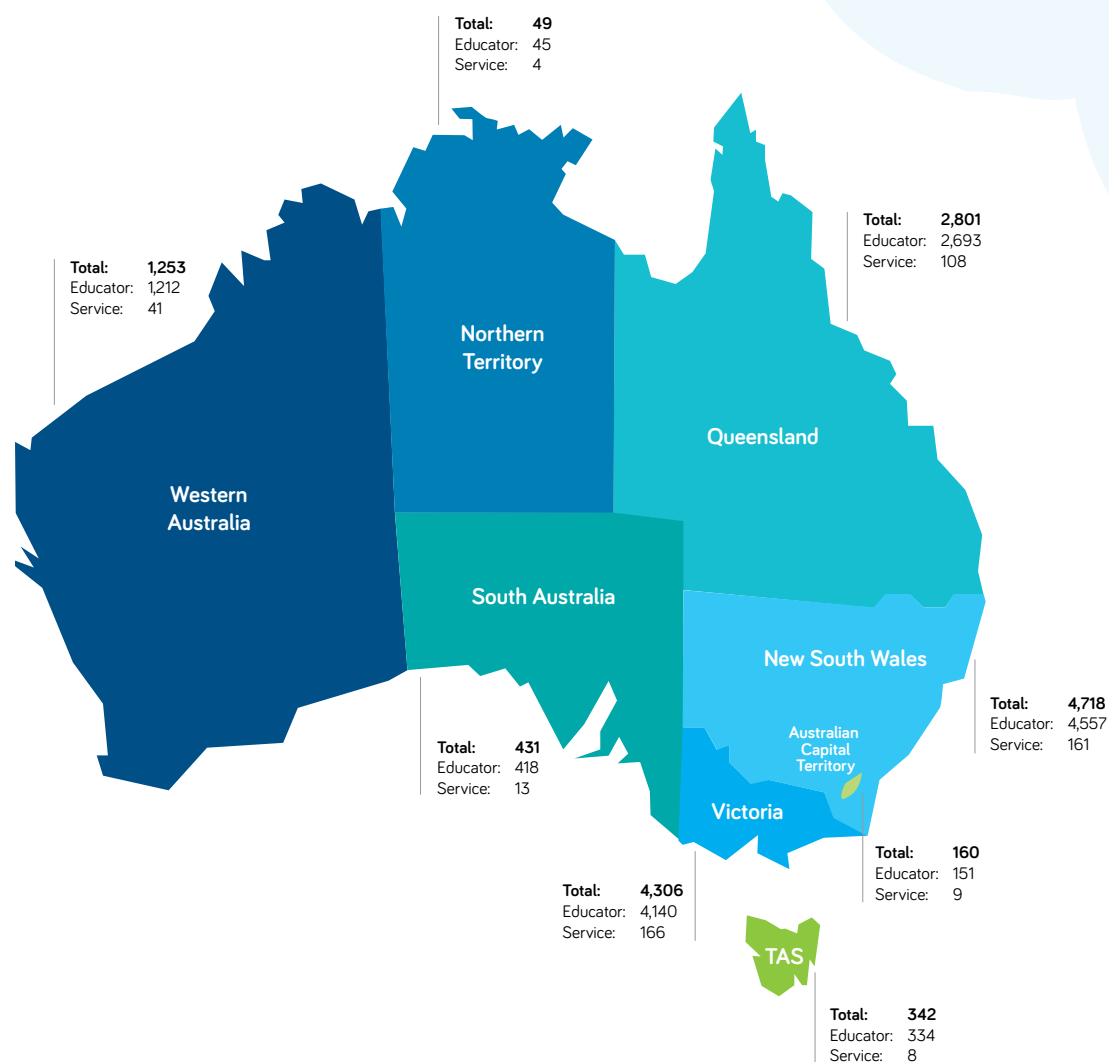


2. State of the Sector

Figure 1 below presents the number of FDCA members, both services and educators, by state and territory. As at 30 June 2019, the total number of family day care services and educators is 510 and 13,550 respectively.

Victoria and New South Wales are the states with the largest family day care communities as shown in Figure 1 below. New South Wales has overtaken Victoria as the state reporting the largest number of educators (4,557 compared to Victoria's 4,140); however Victoria retains its status as having the largest number of services (166 compared to New South Wales' 161). The Northern Territory remains the smallest family day care community with 4 services and 45 educators, unchanged from the last quarter.

FIGURE 1: NUMBER OF CURRENT FDCA MEMBERS AS AT 30 JUNE 2019.



2.1 Educator Member Numbers

Table 1 below provides a breakdown of family day care educator members by state and territory from 30 June 2018 to 30 June 2019.

New South Wales, Victoria and Queensland continue to retain the largest proportion of family day care educator members, representing 84.1% of total educator members across the three states. This proportion is virtually unchanged from the previous reporting period (84.2%).

Over the last quarter from March 2019 to June 2019 there continued to be a decrease in total numbers of educator members nationally (2.9%), as well as declines of varying magnitudes across most states and territories. This is consistent with the general downward trend since 2016, however it represents a slightly smaller decrease than noted in the March 2019 Sector Profile report (3.9%). The greatest proportional decrease in educator numbers in the last quarter occurred in New South Wales (4.2%), with a decline of 200 educators. The next largest proportional decreases occurred in South Australia (3.7%), and Victoria (3.3%). The number of educators in the Northern Territory remained static at 45.

Although the rate of decline appears to be slowing, FDCA continues to be concerned about the implications of this sustained downward trend in educator and service numbers for the longer term sustainability of the family day care sector. While we acknowledge that a contributing factor to this steady decrease in numbers is the result of necessary compliance action undertaken by the Australian Government and state and territory regulators against the fraudulent behaviour of some dishonest providers, the feedback from the sector suggests that legitimate providers are exiting the sector due to the impact of a burdensome regulatory regime.

TABLE 1: EDUCATOR MEMBER NUMBERS BY STATE AND TERRITORY FROM 30 JUNE 2018 TO 30 JUNE 2019.

State	Jun-18	Sept-18	Dec-18	Mar-19	Jun-19
Queensland	3,031	2,885	2,803	2,712	2,693
New South Wales	5,289	5,069	4,899	4,757	4,557
Australian Capital Territory	167	159	160	153	151
Victoria	5,702	4,982	4,580	4,282	4,140
Tasmania	359	358	340	343	334
South Australia	497	461	450	434	418
Western Australia	1,403	1,309	1,232	1,222	1,212
Northern Territory	50	47	44	45	45
Total	16,498	15,270	14,508	13,948	13,550

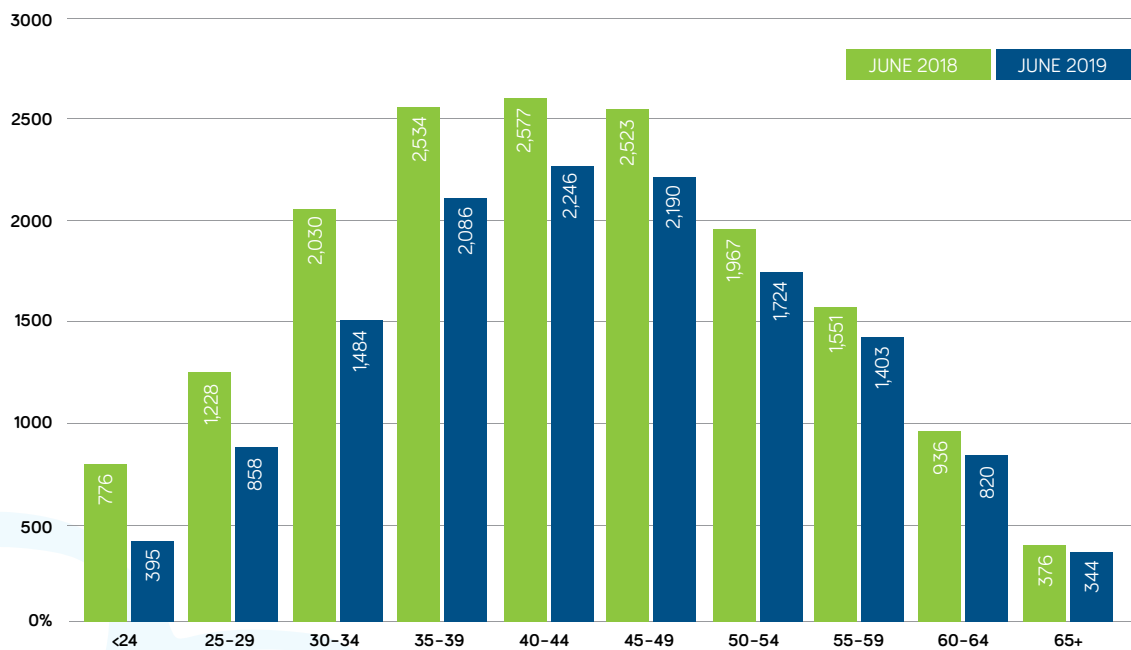


2.2 Educator Age

As at 30 June 2019, the age groups with the highest proportion of educator members remain the 35-39 age bracket (15.4% of all educator members), the 40-44 age group (16.6%) and the 45-49 age group (16.2%), showing little variation from the last quarter.

From March 2019 to June 2019, there has been a decrease in numbers in all educator age brackets, apart from in the 65+ category which has remained static. During this reporting period, the three largest proportional decreases occurred in the <24 age group (7.3%), the 25-29 age bracket (6.3%) and the 30-34 age group (4.9%). This continues to reflect the trend, evident since September 2017, of an increased rate of younger educators exiting the sector, especially those aged under 30.

FIGURE 2: EDUCATOR MEMBER NUMBERS BY AGE AT 30 JUNE 2018 TO 30 JUNE 2019.



2.3 Service Member Numbers

Table 2 below shows a breakdown of the total number of family day care service members by state and territory from 30 June 2018 to 30 June 2019.⁴

Over the last quarter, from 31 March 2019 to 30 June 2019, total service member numbers declined by 1.9%. This compares with a 3% national decrease in the previous reporting period. Service member numbers declined across all jurisdictions except for the Northern Territory, where numbers were again stable.

The largest proportional decreases occurred in the Australian Capital Territory and Victoria with declines of 10% and 3.5% respectively, although the actual numbers were small in both cases (n=1 and n=6 respectively). New South Wales and Queensland also showed declines of 2.4% and 1.8% respectively. In contrast, South Australia saw an increase of 8.3% along with Western Australia (5.1%), although actual numbers were small (n=1 and n= 2 respectively).

TABLE 2: SERVICE MEMBER NUMBERS BY STATE AND TERRITORY FROM 30 JUNE 2018 TO 30 JUNE 2019.

State	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
Queensland	116	111	111	110	108
New South Wales	182	173	169	165	161
Australian Capital Territory	14	12	12	10	9
Victoria	229	204	177	172	166
Tasmania	10	9	9	8	8
South Australia	14	14	13	12	13
Western Australia	41	40	41	39	41
Northern Territory	4	4	4	4	4
Total	610	567	536	520	510

⁴ Please note: at the time of reporting FDCA service members may be at different stages in the approvals process, i.e. not all FDCA service members have a final service approval or Child Care Subsidy (CCS) approval.

3. Location

3.1 Remoteness Area

Educator members

Table 3 below provides a breakdown of educator members' location by remoteness area from 30 June 2018 to 30 June 2019.⁵

With the exception of *Very Remote Australia*, the number of educators in all remoteness categories declined between the end of March 2019 and end of June 2019. The *Major Cities* category showed the largest decline in actual educator numbers (n=333), representing a proportional decrease of 3.1% since the last quarter. The number of educators in *Inner Regional* and *Remote areas* also saw small decreases of 2.5% and 2.1% respectively, with the *Outer Regional* category showing a very slight decrease of 0.9%. In contrast, the number of educators residing in *Very Remote Australia* grew slightly (n=3), equating to a proportional increase of 17.6%.

Despite the overall decrease in total educator member numbers since the previous quarter, and some downward movement in most categories, the remoteness profile of the family day care sector has not varied significantly over time. The vast majority (75.6%) of educators continue to reside within the *Major Cities of Australia*, largely unchanged from the previous reporting period (75.9%) and showing only a small difference from 12 months ago (78%). The overall percentage of educators residing in *Inner Regional* and *Outer Regional* areas (23.5%) remained essentially the same as at the end of March 2019 (23.3%), while the share of educators residing in *Remote Australia* and *Very Remote Australia* showed little change at 0.8%.

TABLE 3: EDUCATOR MEMBER NUMBERS BY REMOTENESS AREA FROM 30 JUNE 2018 TO 30 JUNE 2019.

Remoteness Area	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
Major Cities of Australia	12,870	11,701	11,062	10,583	10,250
Inner Regional Australia	2,505	2,447	2,359	2,281	2,224
Outer Regional Australia	992	992	974	970	961
Remote Australia	112	105	94	97	95
Very Remote Australia	18	20	17	17	20
Not Available	1	5	2	0	0
Total	16,498	15,270	14,508	13,948	13,550

⁵ ABS catalogue 1270.055.005 - Australian Statistical Geography Standard (ASGS): Volume 5 - Remoteness Structure, July 2016, released 16.3.2018

Service members

Service member distribution by remoteness area from 30 June 2018 to 30 June 2019 is presented in Table 4 below.⁶

There has been a 50% decline in services located in *Very Remote Australia* compared to the previous quarter, however this represents only one service. Service numbers in *Outer Regional Australia* and *Inner Regional Australia* also declined in this reporting period by 4.1% and 3.6% respectively. The general downward trend in service member numbers has slowed in the *Major Cities of Australia* category, declining by 1.1% (n=4) over the past quarter. This compares to a decrease of 18 services (4.5%) reported in the March 2019 Family Day Care Sector Profile report.

Since the end of March 2019 there has been little change in the percentage of services located in *Major Cities of Australia*, currently representing 73.9% of all services. As such, there has also been little change in the proportion of services located in regional or remote areas, corresponding to 26.1% of total service members, down slightly from 26.7% in the previous quarter.

TABLE 4: SERVICE MEMBER NUMBERS BY REMOTENESS AREA FROM 30 JUNE 2018 TO 30 JUNE 2019.

Remoteness Area	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
Major Cities of Australia	468	424	399	381	377
Inner Regional Australia	88	87	83	83	80
Outer Regional Australia	47	46	47	49	47
Remote Australia	5	5	5	5	5
Very Remote Australia	2	2	2	2	1
Not Available	0	3	0	0	0
Total	610	567	536	520	510

6 ABS catalogue 1270.0.55.005 - Australian Statistical Geography Standard (ASGS): Volume 5 - Remoteness Structure, July 2016, released 16.3.2018



3.2 Socio-economic Disadvantage

Educator members

Table 5 below illustrates the distribution of educator members by area of relative socio-economic disadvantage from 30 June 2018 to 30 June 2019.⁷

The data shows that the family day care sector continues to provide much needed early childhood education and care for Australian children in areas of high disadvantage, with 22.6% of educators nationally residing in decile 1 and 2 areas (representing the two areas of highest socio-economic disadvantage) and over half (51.4%) of all educator members located in areas ranked within the first five deciles of highest socio-economic disadvantage. These proportions are virtually unchanged from the previous quarter.

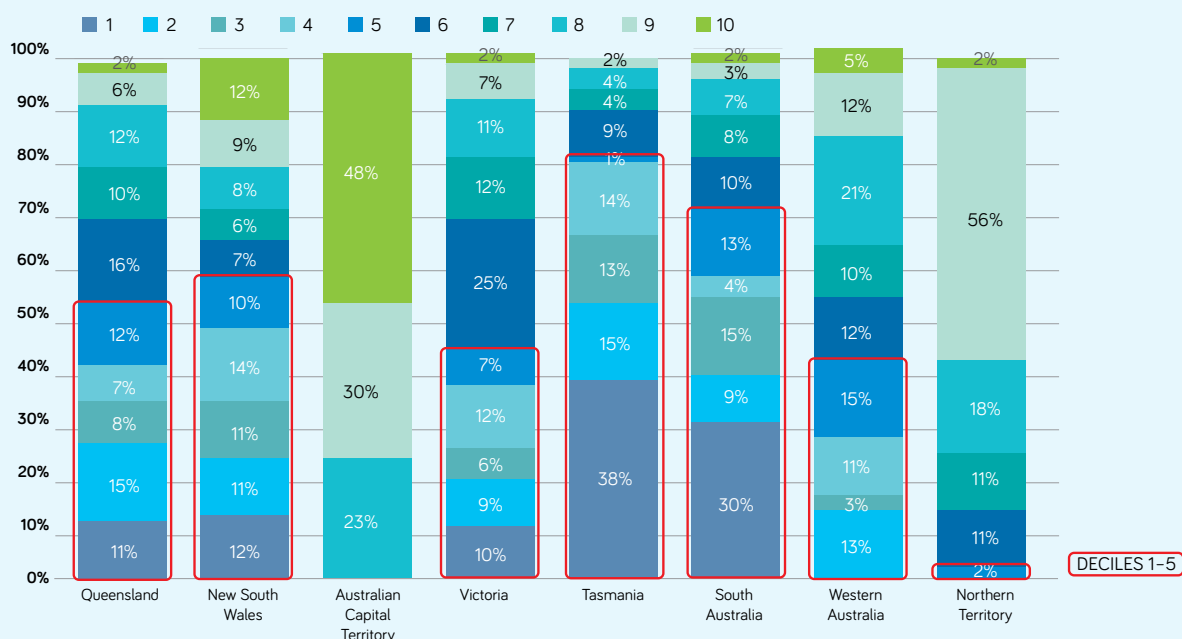
Figure 3 below shows the variation in distribution across states and territories. The states with the largest proportions of educators located in areas ranked within the first five deciles of relative socio-economic disadvantage are Tasmania (80.8%), South Australia (70.8%), New South Wales (58.2%), and Queensland (53.8%), with Victoria sitting at 43.6%. These proportions are very similar to the previous quarter, despite small movements in actual member numbers nationally. At 38%, Tasmania remains the state with the highest percentage of its educators located in areas ranked as decile 1 locations, with South Australia not far behind at 29.7%, virtually unchanged from the previous quarter.

TABLE 5: EDUCATOR MEMBER NUMBERS BY RELATIVE SOCIO-ECONOMIC DISADVANTAGE FROM 30 JUNE 2018 TO 30 JUNE 2019.

Index of Relative Socio-economic Disadvantage	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
1	2,033	1,792	1,699	1,579	1,513
2	1,907	1,752	1,676	1,612	1,546
3	1,285	1,196	1,148	1,122	1,096
4	1,875	1,724	1,652	1,591	1,542
5	1,522	1,425	1,328	1,282	1,274
6	2,548	2,329	2,171	2,069	2,001
7	1,396	1,310	1,234	1,203	1,189
8	1,707	1,608	1,538	1,493	1,448
9	1,261	1,200	1,170	1,127	1,080
10	953	922	886	863	861
Not Available	11	12	6	7	0
Total	16,498	15,270	14,508	13,948	13,550

⁷ ABS catalogue 2033.0.55.001 - Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2016.

FIGURE 3: EDUCATOR MEMBER NUMBERS BY SOCIO-ECONOMIC DISADVANTAGE AND STATE AND TERRITORY AS AT 30 JUNE 2019.



Service members

Table 6 below depicts service member distribution by relative socio-economic disadvantage from 30 June 2018 to 30 June 2019.⁸

During this reporting period, the deciles with the highest representation of services are deciles 6 and 1, representing 14.1% and 13.5% of services respectively. However, almost a quarter of service members (23.7%) continue to be located within deciles 1 and 2 (the two highest areas of socio-economic disadvantage), down slightly from the previous quarter (24.4%). Over half (52.1%) of family day care services continue to be located in areas situated within deciles 1-5 of highest socio-economic disadvantage. However, there appears to be a trend, from the previous quarter, towards service numbers declining in deciles 2 to 6 and increasing in deciles 7 to 10.

TABLE 6: SERVICE MEMBER NUMBERS BY SOCIO-ECONOMIC DISADVANTAGE FROM 30 JUNE 2018 TO 30 JUNE 2019.

Index of Relative Socio-economic Disadvantage	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
1	84	73	70	68	69
2	74	71	61	59	52
3	61	55	53	52	51
4	59	55	57	58	57
5	55	49	44	44	37
6	84	73	73	76	72
7	63	58	51	43	44
8	52	46	46	42	45
9	46	49	46	46	48
10	32	31	31	29	31
Not Available	0	7	4	3	4
Total	610	567	536	520	510

⁸ For March 2018 onwards - ABS catalogue 2033.0.55.001 - Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2016. Additionally, it should be noted that the postcode of the registered office on the ACECQA National Register was utilised to determine the remoteness area of approved services in this report.



4. Service Quality Rating

4.1 Overall Quality Rating

This final section of FDCA's Family Day Care Sector Profile report provides insights into the performance of family day care services under the National Quality Framework, drawing on data provided by ACECQA.

Figure 4 below indicates the proportion of family day care services by overall quality rating from 30 June 2018 to 30 June 2019.

The proportion of approved family day care services assessed by ACECQA as *Working Towards NQS* (52%) continues to decline incrementally. This compares to 53% in the last reporting period and 54% in June 2018. This is matched by a considerable proportional increase of assessed services rated as *Meeting NQS* (now 34% compared to 31% in the previous quarter).

Looking over the past 12 months there have been improvements in the reduction of the overall proportion of services rated as *Significant Improvement Required* (3% down to 1%) and an increase in the number of services rated as *Meeting NQS* (from 27% up to 34%). Additionally, the proportion of services rated *Meeting NQS* or above has increased from 43% to 48% over this time.

FIGURE 4: PROPORTION OF SERVICES BY OVERALL QUALITY RATING FROM 30 JUNE 2018 TO 30 JUNE 2019.



Table 7 below depicts the number of assessed family day care services by overall quality rating and state or territory as at 30 June 2019. It also includes numbers of services yet to be assessed.

In this reporting period Queensland remains the only state where a service has been awarded an Excellent rating. The states and territories with the highest proportions of their assessed services rated as *Exceeding NQS* are Tasmania (40%), the Northern Territory (25%) and Queensland (22.3%). In contrast, Tasmania, New South Wales and Victoria are the only states with services rated by ACECQA as *Significant Improvement Required*, representing 10%, 0.6% and 0.6% of assessed services respectively in those states. South Australia remains the jurisdiction which has the highest proportion of services rated as *Working Towards NQS* (75%) and the Australian Capital Territory has the highest proportion of assessed services rated as *Meeting NQS* (50%), followed by Queensland (42.7%).

There has been no increase in the proportion of total services assessed nationally since the last quarter (88%).

TABLE 7: NUMBER OF SERVICES BY OVERALL QUALITY RATING⁹ AND STATE AND TERRITORY AS AT 30 JUNE 2019.

State	Excellent	Exceeding NQS	Meeting NQS	Working Towards NQS	Significant Improvement Required	Not yet assessed	Total	Assessed Services
ACT	0	1	4	3	0	1	9	89%
NSW	0	16	59	95	1	9	180	95%
NT	0	1	1	2	0	0	4	100%
QLD	1	23	44	35	0	8	111	93%
SA	0	1	2	9	0	0	12	100%
TAS	0	4	2	3	1	0	10	100%
VIC	0	19	60	97	1	43	220	80%
WA	0	5	2	22	0	7	36	81%
Total	1	70	174	266	3	68	582	88%

⁹ ACECQA National Register, as at 30 June 2018.



4.2 Quality Area Rating

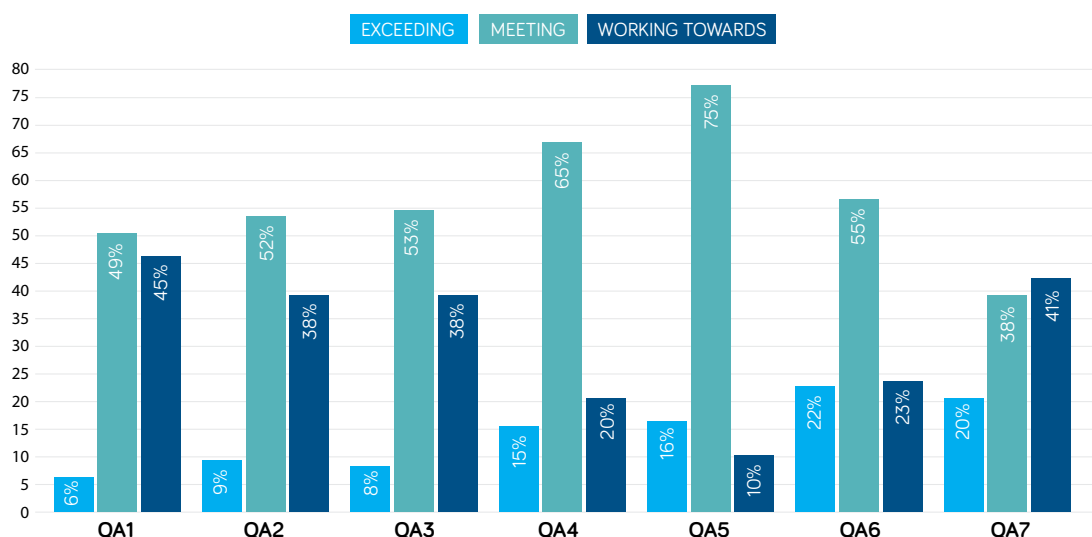
Figure 5 below shows service data by NQS Quality Area rating as provided by ACECQA at 30 June 2019. Supplementary data and analysis on the education and care sector as a whole is available in ACECQA's NQF Snapshot reports.¹⁰

As can be seen below, for each NQS Quality Area more than half of all assessed family day care services are rated as either *Meeting NQS* or *Exceeding NQS*, similar to results in the previous quarter. The proportion of services rated as *Exceeding NQS* in each Quality Area has also largely remained the same as for the March 2019 quarter.¹¹

Based on ACECQA's Quality Area rating data, family day care services continue to demonstrate small improvements in all Quality Areas since the last reporting period, with strongest performance¹² in QA5 (Relationships with Children), QA4 (Staffing Arrangements), and QA6 (Collaborative Partnerships with Families and Communities): 91% are rated either *Meeting NQS* or *Exceeding NQS* in QA5; 80% of services fall within these rating categories in QA4; and 77% meet these benchmarks in QA6.

Across the seven categories, the two Quality Areas where the highest proportion of *Exceeding NQS* ratings are awarded are in QA6 (22%) and QA7 (20%).

FIGURE 5: SERVICE QUALITY AREA RATING¹³ AS AT 30 JUNE 2019.



¹⁰ See www.acecqa.gov.au/nqf/snapshots

¹¹ For previous editions of the FDCA Family Day Care Sector Profile see www.familydaycare.com.au/representing-you/sector-profile.

¹² This performance measure is based on the three Quality Areas with the highest percentages when combining the Meeting NQS and Exceeding NQS Quality Area ratings.

¹³ The seven NQS Quality Areas are as follows: QA1- Educational program and practice; QA2 - Children's health and safety; QA3-Physical environment; QA4 - Staffing arrangements; QA5 - Relationships with children; QA6 - Collaborative partnerships with families and communities; and, QA7 - Governance and leadership.

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Published by Family Day Care Australia
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