



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

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1. Introduction

This report is Family Day Care Australia's (FDCA) tenth 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 March 2018 quarter to the March 2019 quarter, however the primary focus of the analysis relates to the changes between the December 2018 quarter and the March 2019 quarter.

While this report provides comprehensive analysis of the family day care sector from a data perspective, from this edition onwards, FDCA is including a new section entitled "Family Day Care in Action" (section 1.2) to communicate and highlight the unique strengths of family day care to meet the diverse needs of children and families in Australia.



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 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

In this edition of the Family Day Care Sector Profile report, we take a look at how educator Crystal Mawhinney-Blake, of Crystal's Little Gems Family Day Care in Grafton NSW is building on the natural curiosity of the young children in her care to integrate an enquiry-based science, technology, engineering and mathematics (STEM) approach into her educational programming.

Crystal's Little Gems recently became one of the first family day care homes to be designated a Little Scientist House, which is a project supported and funded by the Australian Government Department of Education and Training through the National Innovation and Science Agenda. Little Scientist Houses provide holistic learning in an early childhood setting that aligns with the Early Years Learning Framework (EYLF) with the purpose of amplifying young children's natural curiosity and facilitating enquiry-based scientific discoveries across STEM areas in a playful and powerful way.

For Crystal's Little Gems to become a Little Scientist House, Crystal had to demonstrate that she engaged in enquiry-based scientific research with the children every day, document their progress and make a commitment to ongoing professional development through the Little Scientist workshops.

Through her involvement in the Little Scientist project, Crystal is demonstrating to her families and the wider community her commitment to quality education and care in a nurturing and home-based setting that taps into the natural eagerness of young children to learn and explore their environment. The children attending Crystal's Little Gems are engaging in a range of age-appropriate STEM activities, exploring topics such as water, engineering and optics.

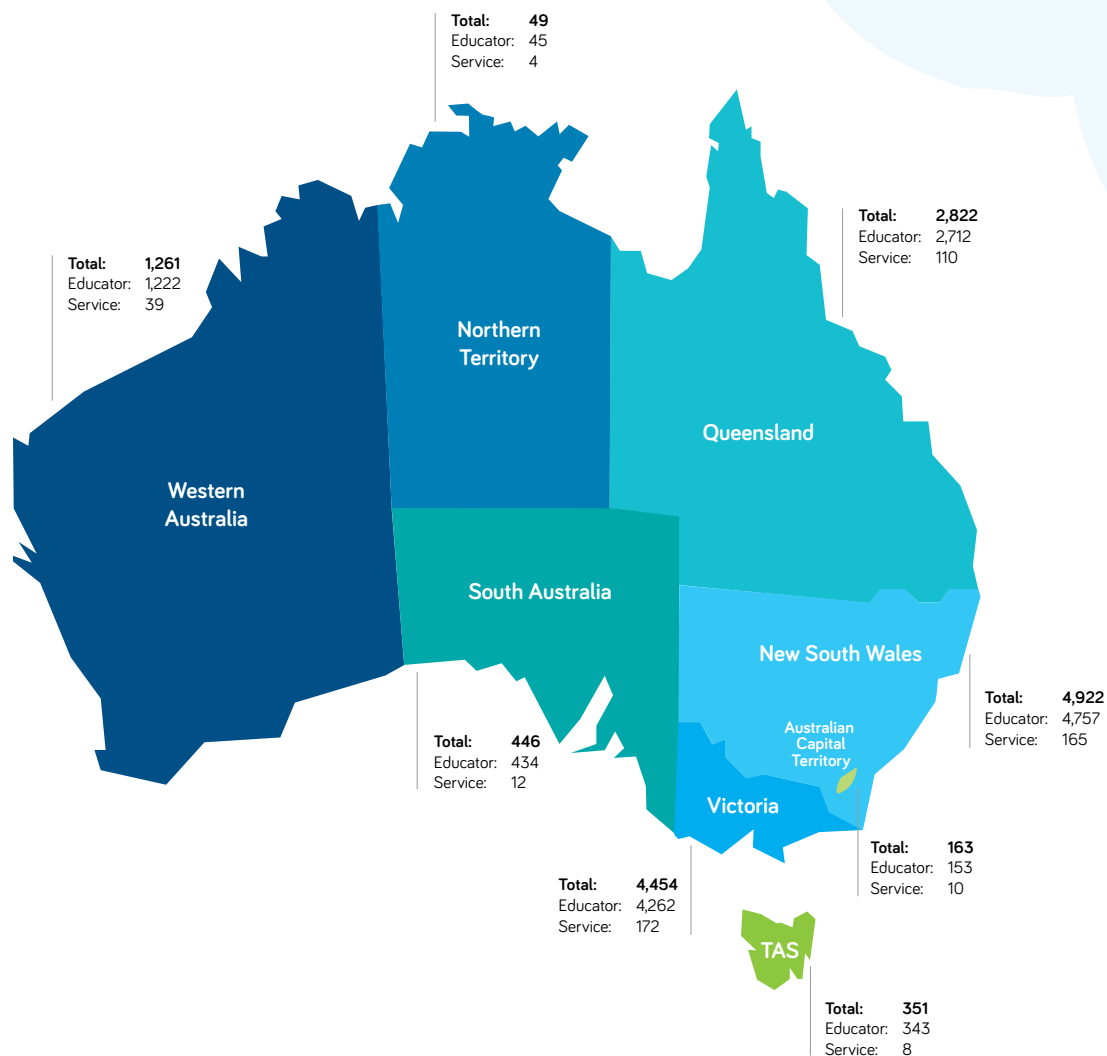


2. State of the Sector

Figure 1 below presents the number of FDCA members, both services and educators, by state and territory. As at 31 March 2019, the total number of family day care services and educators is 520 and 13,948 respectively.

Victoria and New South Wales are the states with the largest family day care communities as shown in Figure 1 below. Victoria retains the largest number of services (172), however New South Wales reports the largest number of educators (4,757). The Northern Territory remains the smallest family day care community with 4 services and 45 educators.

FIGURE 1: NUMBER OF CURRENT FDCA MEMBERS AS AT 31 MARCH 2019.



2.1 Educator Member Numbers

Table 1 below provides a breakdown of family day care educator members by state and territory from 31 March 2018 to 31 March 2019.

New South Wales, Victoria and Queensland continue to retain the largest proportion of family day care educator members, representing 84.2% of total educator members across the three states. This proportion is virtually unchanged from the previous reporting period (84.7%).

Over the last quarter from December 2018 to March 2019 there continued to be a decrease in total numbers of educator members nationally (3.9%), 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 December 2018 Sector Profile report (5%). The greatest proportional decrease in educator numbers in the last quarter occurred again in Victoria (6.5%), with a decline of 298 educators. However this change was less than in the December 2018 quarter (8.1% or 402 educators). The next largest proportional decreases occurred in the Australian Capital Territory (4.4%), and South Australia (3.6%), although the actual numbers were relatively small with declines of 7 and 16 educators respectively. In contrast, there were some small increases in educator numbers in Tasmania (n= 3) and the Northern Territory (n=1).

Although slowing a little over the past quarter, FDCA remains deeply concerned about the sustained downward trend in educator numbers as well as the continued decline in service numbers (see section 2.3 below). Feedback from FDCA members suggests that the ongoing decreases in family day care educator and service numbers do not just reflect attrition resulting from the introduction of the Child Care Package and concerted compliance enforcement activities by both Commonwealth and state and territory regulators, but also 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 31 MARCH 2018 TO 31 MARCH 2019.

State	Mar-18	Jun-18	Sept-18	Dec-18	Mar-19
Queensland	3,175	3,031	2,885	2,803	2,712
New South Wales	5,621	5,289	5,069	4,899	4,757
Australian Capital Territory	171	167	159	160	153
Victoria	6,421	5,702	4,982	4,580	4,282
Tasmania	377	359	358	340	343
South Australia	543	497	461	450	434
Western Australia	1,475	1,403	1,309	1,232	1,222
Northern Territory	51	50	47	44	45
Total	17,834	16,498	15,270	14,508	13,948

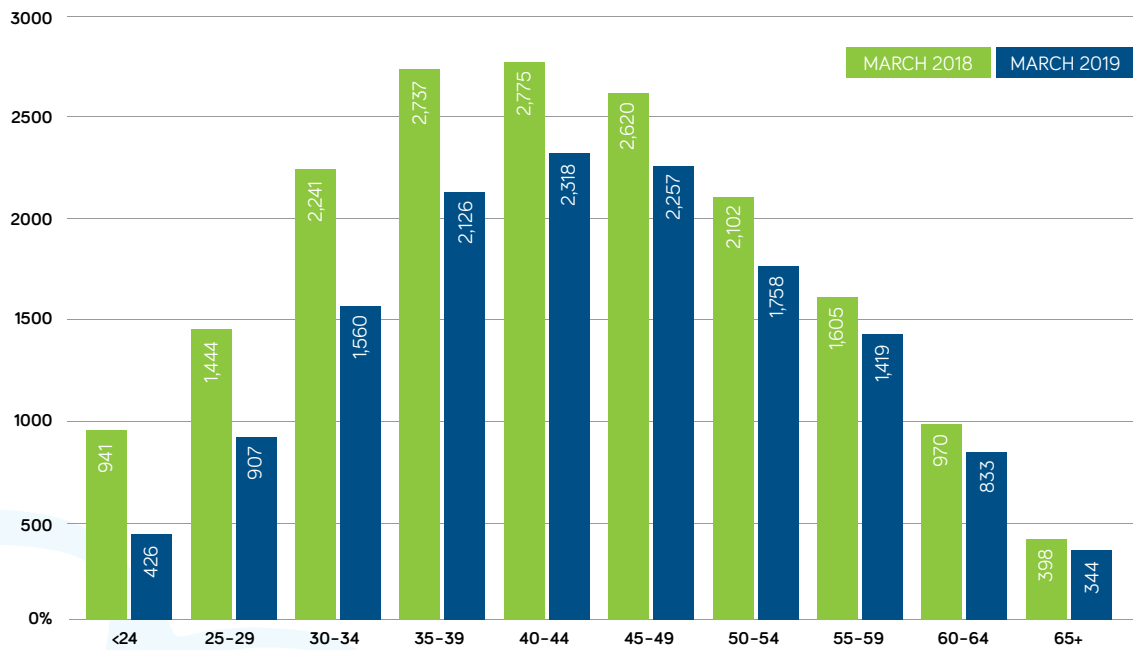


2.2 Educator Age

As at 31 March 2019, the age groups with the highest proportion of educator members remain the 35-39 age bracket (15.2% 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. After the age of 50, numbers of educators in each age bracket continue to decline rapidly, with educators aged 65+ representing only 2.5% of educators nationally. Again, this distribution shows very little change from last quarter.

From December 2018 to March 2019, there has been a decrease in numbers in all educator age brackets. During this reporting period, the three largest proportional decreases occurred in the <24 age group (13.2%), the 65+ age bracket (6.5%) and the 25-29 age group (6.3%).

FIGURE 2: EDUCATOR MEMBER NUMBERS BY AGE AT 31 MARCH 2018 TO 31 MARCH 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 31 March 2018 to 31 March 2019.⁴

Over the last quarter, from 31 December 2018 to 31 March 2019, total service member numbers declined by 3%. This compares with a 5.5% 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 Tasmania with a decline of 16.7% and 11.1% respectively, although the actual numbers were small (n=2) in both cases. Similarly, South Australia saw a significant proportional decline in service numbers (7.7%), however this represented an actual decrease of just one service. The percentage decrease in numbers of services in Victoria from the December 2018 quarter to the March 2019 quarter was significantly smaller than in the last report (2.8%, compared to 13.2%).

TABLE 2: SERVICE MEMBER NUMBERS BY STATE AND TERRITORY FROM 31 MARCH 2018 TO 31 MARCH 2019.

State	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
Queensland	119	116	111	111	110
New South Wales	192	182	173	169	165
Australian Capital Territory	16	14	12	12	10
Victoria	255	229	204	177	172
Tasmania	11	10	9	9	8
South Australia	16	14	14	13	12
Western Australia	40	41	40	41	39
Northern Territory	4	4	4	4	4
Total	653	610	567	536	520

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 31 March 2018 to 31 March 2019.

With the exception of Remote Australia, the number of educators in all remoteness categories declined between the end of December 2018 and end of March 2019. The *Major Cities* category showed the largest decline in actual educator numbers (n=479), representing a proportional decrease of 4.3% since the last quarter. The number of educators in *Inner Regional* and *Outer Regional* areas also saw small decreases of 3.3% and 0.4% respectively. In contrast, the number of educators residing in Remote Australia grew slightly (n=3), equating to a proportional increase of 3.2%.

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 (75.9%) of educators continue to reside within the *Major Cities of Australia*, largely unchanged from the previous reporting period (76.2%) and showing only a small difference from 12 months ago (78.4%). The overall percentage of educators residing in *Inner Regional* and *Outer Regional* areas (23.3%) remained essentially the same as at the end of December 2018 (23%), while the share of educators residing in *Remote Australia* and *Very Remote Australia* showed virtually no change at 0.8%.

TABLE 3: EDUCATOR MEMBER NUMBERS BY REMOTENESS AREA FROM 31 MARCH 2018 TO 31 MARCH 2019.

Remoteness Area	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
Major Cities of Australia	13,984	12,870	11,701	11,062	10,583
Inner Regional Australia	2,646	2,505	2,447	2,359	2,281
Outer Regional Australia	1,067	992	992	974	970
Remote Australia	113	112	105	94	97
Very Remote Australia	21	18	20	17	17
Not Available	3	1	5	2	0
Total	17,834	16,498	15,270	14,508	13,948

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 31 March 2018 to 31 March 2019 is presented in Table 4 below.⁶

The general downward trend in service member numbers has continued to mainly affect numbers in the *Major Cities of Australia*, declining by 4.5% (n=18) over the past quarter. This compares to a decrease of 25 services (5.9%) in the previous quarter. Otherwise there was minimal or no variation in numbers of services located in regional and remote areas since the December 2018 Sector Profile report.

Since the end of December 2018 there has been little change in the percentage of services located in *Major Cities of Australia*, currently representing 73.3% of all services (down one percentage point), whereas the proportion of services located in regional or remote areas has continued to increase slightly, now corresponding to 26.7% of total service members, up from 25.5% in the previous quarter.

TABLE 4: SERVICE MEMBER NUMBERS BY REMOTENESS AREA FROM 31 MARCH 2018 TO 31 MARCH 2019.

Remoteness Area	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
Major Cities of Australia	510	468	424	399	381
Inner Regional Australia	88	88	87	83	83
Outer Regional Australia	49	47	46	47	49
Remote Australia	4	5	5	5	5
Very Remote Australia	2	2	2	2	2
Not Available	0	0	3	0	0
Total	653	610	567	536	520

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 31 March 2018 to 31 March 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 22.9% of educators nationally residing in decile 1 and 2 areas (representing the two areas of highest socio-economic disadvantage) and over half (51.5%) 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.

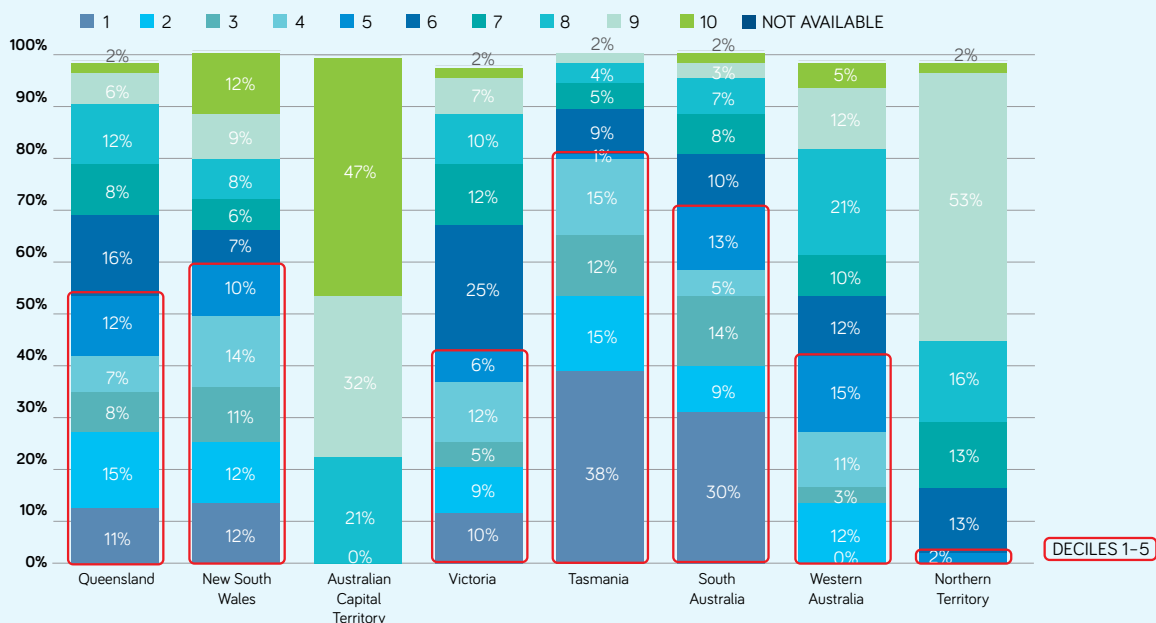
Figure 3 below shows the variation in distribution across states and territories. The states with the largest proportions of educators located in areas ranked within the first five deciles of relative socio-economic disadvantage are Tasmania (79.9%), South Australia (70.7%), New South Wales (58.5%), and Queensland (53.6%), with Victoria sitting at 43.8%. These proportions are very similar to the previous quarter, despite small movements in actual member numbers nationally. Tasmania is the state with the highest percentage of its educators located in areas ranked as decile 1 locations (area of highest socio-economic disadvantage) at 38%, with South Australia not far behind at 30%.

TABLE 5: EDUCATOR MEMBER NUMBERS BY RELATIVE SOCIO-ECONOMIC DISADVANTAGE FROM 31 MARCH 2018 TO 31 MARCH 2019

Index of Relative Socio-economic Disadvantage	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
1	2,252	2,033	1,792	1,699	1,579
2	2,085	1,907	1,752	1,676	1,612
3	1,408	1,285	1,196	1,148	1,122
4	2,024	1,875	1,724	1,652	1,591
5	1,667	1,522	1,425	1,328	1,282
6	2,747	2,548	2,329	2,171	2,069
7	1,526	1,396	1,310	1,234	1,203
8	1,815	1,707	1,608	1,538	1,493
9	1,307	1,261	1,200	1,170	1,112
10	993	953	922	886	863
Not Available	10	11	12	6	7
Total	17834	16,498	15,270	14,508	13,948

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 31 MARCH 2019.



Service members

Table 6 below depicts service member distribution by relative socio-economic disadvantage from 31 March 2018 to 31 March 2019.⁸

As with the distribution of educators, despite some movements in actual numbers, there has been little change in the proportions of services according to relative socio-economic disadvantage since the last reporting period.

During this reporting period, the deciles with the highest representation of services are deciles 6 and 1, with 14.6% and 13.1% of services respectively, followed closely by deciles 2 and 4 with 11.3% and 11.2% of service members. However, almost a quarter of service members (24.4%) continue to be located within deciles 1 and 2 (the two highest areas of socio-economic disadvantage), unchanged from the previous quarter (24.4%). Over half (54%) of family day care services are located in areas located within deciles 1-5 of highest socio-economic disadvantage. This is virtually unchanged from the previous quarter (53.2%).

TABLE 6: SERVICE MEMBER NUMBERS BY SOCIO-ECONOMIC DISADVANTAGE FROM 31 MARCH 2018 TO 31 MARCH 2019

Index of Relative Socio-economic Disadvantage	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
1	87	84	73	70	68
2	87	74	71	61	59
3	61	61	55	53	52
4	63	59	55	57	58
5	54	55	49	44	44
6	92	84	73	73	76
7	67	63	58	51	43
8	58	52	46	46	42
9	49	46	49	46	46
10	35	32	31	31	29
Not Available	0	0	7	4	3
Total	653	610	567	536	520

⁸ For March 2018 onwards - ABS catalogue 2033.055.001 - 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 31 March 2018 to 31 March 2019.

The majority of approved family day care services (53%) continue to be rated by ACECQA as *Working Towards NQS*, remaining largely unchanged over the past quarter.

Since the December 2018 quarter, there has been an increase again in the proportion of assessed services rated as *Meeting NQS* (now 31%, previously 30%).

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 31%).

FIGURE 4: PROPORTION OF SERVICES BY OVERALL QUALITY RATING FROM 31 MARCH 2018 TO 31 MARCH 2019.

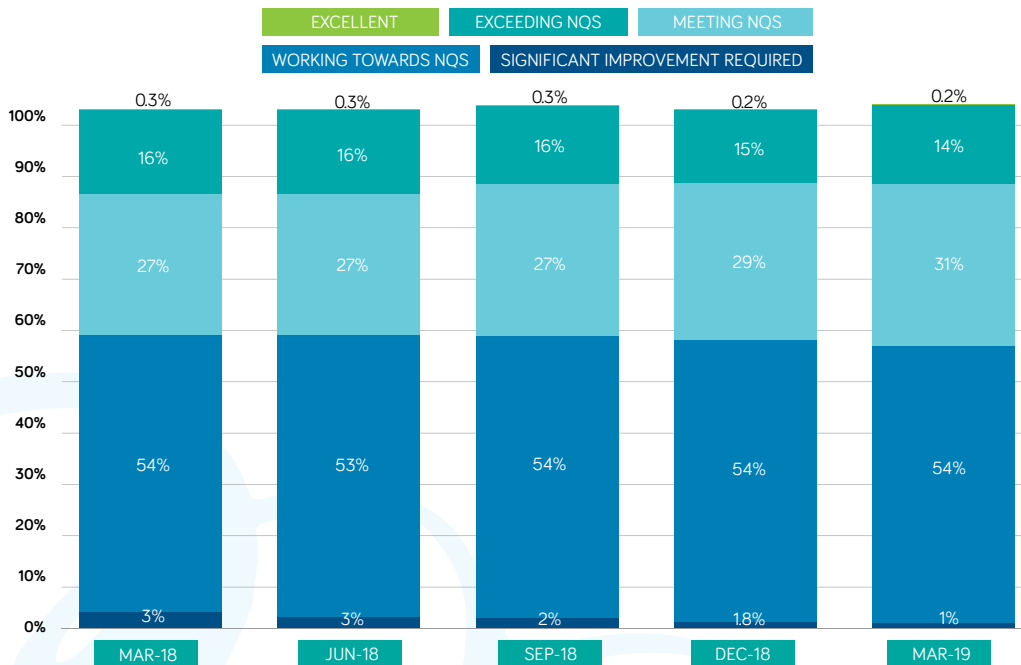


Table 7 below depicts the number of assessed family day care services by overall quality rating and state or territory as at 31 March 2019. It also includes numbers of services yet to be assessed.

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 (54.5%), the Northern Territory (25%) and Queensland (23.8%). New South Wales and Victoria are the only states with services rated by ACECQA as *Significant Improvement Required*, representing 1.6% and 1.1% of assessed services respectively in those states.

There has been a marginal increase in the proportion of total services assessed nationally since the last quarter (87% to 88%).

TABLE 7: NUMBER OF SERVICES BY OVERALL QUALITY RATING⁹ AND STATE AND TERRITORY AS AT 31 MARCH 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	2	10	80%
NSW	0	18	59	107	3	10	197	95%
NT	0	1	1	2	0	0	4	100%
QLD	1	25	42	37	0	10	115	91%
SA	0	1	2	9	0	1	13	92%
TAS	0	6	2	3	0	0	11	100%
VIC	0	21	59	103	2	46	231	80%
WA	0	6	2	23	0	6	37	84%
Total	1	79	171	287	5	75	618	88%

9 ACECQA National Register, as at 31 March 2019.



4.2 Quality Area Rating

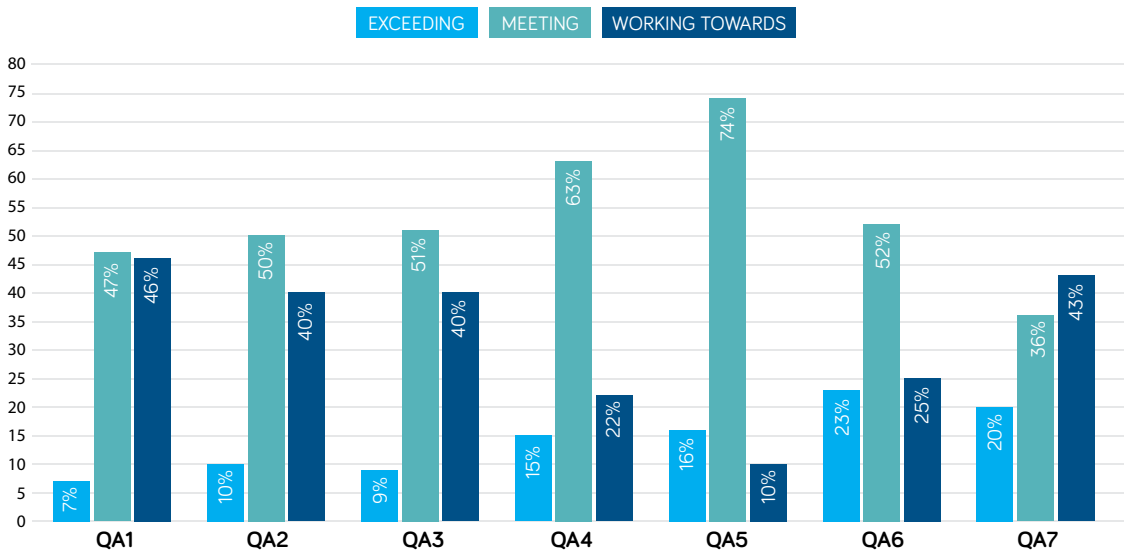
Figure 5 below shows service data by NQS Quality Area rating as provided by ACECQA at 31 March 2019. Supplementary data and analysis on the education and care sector as a whole is available in ACECQA's NQF Snapshot reports.¹⁰

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 December 2018 quarter.¹¹

Based on ACECQA's Quality Area rating data, family day care services continue to perform best¹² in QA5 (Relationships with Children), QA4 (Staffing Arrangements), and QA6 (Collaborative Partnerships with Families and Communities): 90% are rated either *Meeting NQS* or *Exceeding NQS* in QA5; 78% of services fall within these rating categories in QA4; and 75% 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 (23%) and QA7 (20%).

FIGURE 5: SERVICE QUALITY AREA RATING¹³ AS AT 31 MARCH 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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