



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



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1. Introduction

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

In addition, Section 1.2, "Family Day Care in Action", showcases the unique strengths of family day care in supporting the development of each child's individual qualities and meeting the diverse needs of children and families in Australia. In this edition we take a look at the fortnightly intergenerational playgroup experience that Nature Alliance Family Day Care educator Hannah Mason has incorporated into her educational program and practice.



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 www.fdca.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

Beginning in February 2019, Nature Alliance Family Day Care educator Hannah Mason, in partnership with Western Australian aged care provider Meath Care, organised and developed a fortnightly intergenerational playgroup.

The fortnightly visits cross the generational gap and bring the children and elderly together through play-based interactions, ensuring that both groups benefit from the experience. The intergenerational playgroups also provide a unique opportunity to build empathy, understanding and acceptance in children as they acquire a greater understanding of the life cycle and learn to respect and care for their elders, enhancing their social intelligence.

“When the children and the residents come together magic happens,” says Hannah. “The laughter, joking and fun lifts the mood and spirits.”

Over the months since the intergenerational playgroup began, the children and residents have developed strong

connections, with the children always looking forward to their visits. With many of the children unable to spend a great deal of time with their own grandparents, the playgroups offer the children an opportunity they might not otherwise have to spend time with the elderly.

“I believe that I have started something that these children will remember and appreciate for years to come,” says Hannah. “There are so many benefits of our regular visits to Meath Care, for both the children and the residents. This includes increased dignity and self-esteem in the older participants. The atmosphere in the room changes as soon as the kids arrive.”

Hannah Mason was recently announced a Regional Winner for the Northern Suburbs & Joondalup region of Western Australia in the FDCA 2019 Excellence in Family Day Care Awards.



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 September 2019, the total number of family day care services and educators is 454 and 13,156 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 (4,414 compared to Victoria's 3,986) and services (152 compared to Victoria's 137). The Northern Territory remains the smallest family day care community with 4 services and 46 educators, virtually unchanged from the last quarter.

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



2.1 Educator Member Numbers

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

New South Wales, Victoria and Queensland continue to retain the largest proportion of family day care educator members, representing 83.7% of total educator members across the three states. This proportion is virtually unchanged from the previous reporting period (84.1%).

Over the last quarter from June 2019 to September 2019 there continued to be a decrease in the total number 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 apparent since 2016, although the rate of change has stayed the same as noted in the June 2019 Sector Profile report (2.9%). The greatest proportional decrease in educator numbers in the last quarter occurred in Victoria (3.7%), with a decline of 154 educators. The next largest proportional decreases occurred in New South Wales (3.1%) and South Australia (2.4%). The number of educators in the Northern Territory increased by one.

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. Feedback from FDCA members suggests that an increased regulatory and compliance burden has led to much tighter opportunities for sustainable growth and financial viability for many services with the result that many legitimate services are now exiting or considering exiting the sector.

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

State	Sept-18	Dec-18	Mar-19	Jun-19	Sep-19
Queensland	2,885	2,803	2,712	2,693	2,616
New South Wales	5,069	4,899	4,757	4,557	4,414
Australian Capital Territory	159	160	153	151	142
Victoria	4,982	4,580	4,282	4,140	3,986
Tasmania	358	340	343	334	330
South Australia	461	450	434	418	408
Western Australia	1,309	1,232	1,222	1,212	1,214
Northern Territory	47	44	45	45	46
Total	15,270	14,508	13,948	13,550	13,156

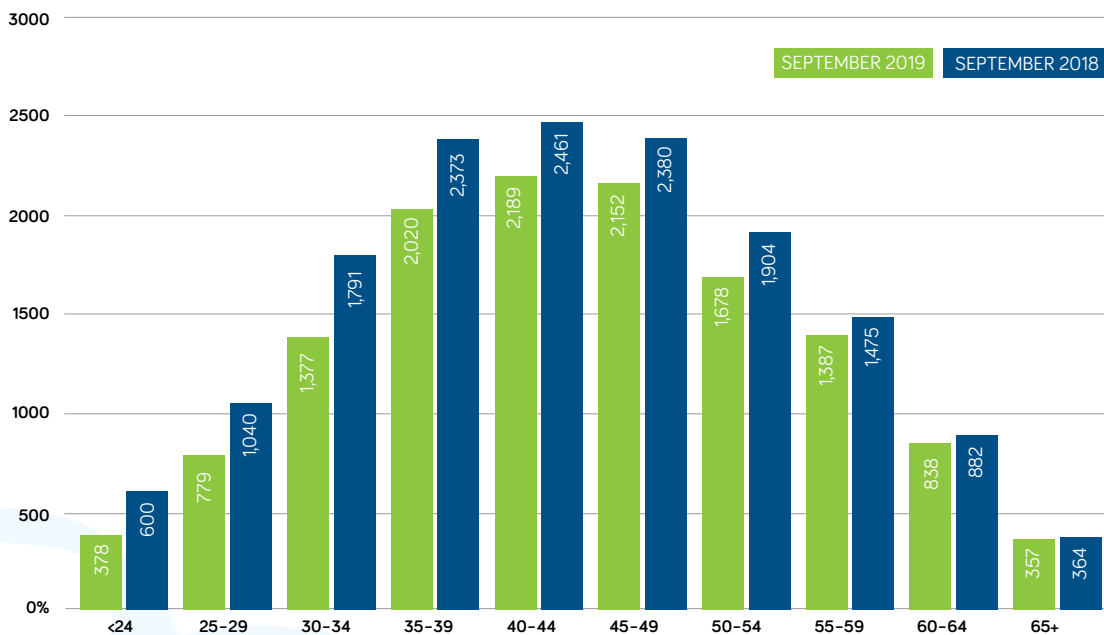


2.2 Educator Age

As at 30 September 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 (16.4%), showing virtually no change from the last quarter.

From 30 June 2019 to 30 September 2019, there has been a decrease in numbers in all educator age brackets, apart from the 60-64 and 65+ categories which have seen small proportional increases of 2.2% and 3.8% respectively. During this reporting period, the three largest proportional decreases occurred in the <24 age group (4.3%), the 25-29 age bracket (9.2%) and the 30-34 age group (7.2%). 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 FROM 30 SEPTEMBER 2018 AND 30 SEPTEMBER 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 September 2018 to 30 September 2019.⁴

Over the last quarter, from 30 June 2019 to 30 September 2019, total service member numbers declined by 11%.⁵ This compares with a 1.9% 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 Western Australia and Victoria with declines of 21.9% and 17.5% respectively, although the actual numbers are relatively small (n=9 and n=29 respectively). Queensland and New South Wales also showed declines of 10.2% and 5.6% respectively. In contrast, Tasmania saw a small increase of 12.5% along with South Australia (7.7%), although actual numbers were small (n=1 in each case).

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

State	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19
Queensland	111	111	110	108	97
New South Wales	173	169	165	161	152
Australian Capital Territory	12	12	10	9	9
Victoria	204	177	172	166	137
Tasmania	9	9	8	8	9
South Australia	14	13	12	13	14
Western Australia	40	41	39	41	32
Northern Territory	4	4	4	4	4
Total	567	536	520	510	454

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.

⁵ This spike is partially attributable to FDCA altering service membership to a common annual renewal date as of 1 July 2019.

3. Location

3.1 Remoteness Area

Educator members

Table 3 below provides a breakdown of educator members' location by remoteness area from 30 September 2018 to 30 September 2019.⁶

With the exception of *Remote Australia* and *Very Remote Australia*, the number of educators in all remoteness categories declined between the end of June 2019 and end of September 2019. The *Major Cities* category showed the largest decline in actual educator numbers (n=347), representing a proportional decrease of 3.4% since the last quarter. The number of educators in *Inner Regional* and *Outer Regional* areas also saw small decreases of 1.7% and 1.4% respectively. In contrast, the number of educators residing in *Remote Australia* and *Very Remote Australia* grew slightly (n=1 in both cases), equating to proportional increases of 1.1% and 5% respectively.

Despite the overall decrease in total educator member numbers since the previous quarter, and some downward movement in some categories, the remoteness profile of the family day care sector has not varied significantly over time. The vast majority (75.3%) of educators continue to reside within the *Major Cities of Australia*, largely unchanged from the previous reporting period (75.6%) and showing only a small difference from 12 months ago (76.6%). The overall percentage of educators residing in *Inner Regional* and *Outer Regional* areas (23.9%) remained essentially the same as at the end of June 2019 (23.5%), while the share of educators residing in *Remote Australia* and *Very Remote Australia* showed little change at 0.9%.

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

Remoteness Area	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19
Major Cities of Australia	11,701	11,062	10,583	10,250	9,903
Inner Regional Australia	2,447	2,359	2,281	2,224	2,187
Outer Regional Australia	992	974	970	961	948
Remote Australia	105	94	97	95	96
Very Remote Australia	20	17	17	20	21
Not Available	5	2	0	0	1
Total	15,270	14,508	13,948	13,550	13,156

⁶ 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 September 2018 to 30 September 2019 is presented in Table 4 below.⁷

There has been a 40% decline in services located in Remote Australia compared to the previous quarter, however this represents only two services. Service numbers in *Outer Regional Australia* also declined in this reporting period by 8.5% (n=4), but service numbers in *Inner Regional Australia* saw an increase of 1.25% (n=1). The general downward trend in service member numbers was reflected mainly in the *Major Cities of Australia* category, with numbers declining by 13.5% (n=51) over the past quarter. This compares to a decrease of only four services (1.1%) reported in the June 2019 Family Day Care Sector Profile.

Despite changes within most remoteness categories, there has been no significant variation in the overall proportion of services located in the *Major Cities of Australia*, currently representing 71.8% of all services, down slightly from 73.9% in the last quarter. There has also been little change in the share of services located in regional or remote areas, corresponding to 28.2% of total service members, down slightly from 26.1% in the previous quarter.

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

Remoteness Area	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19
Major Cities of Australia	424	399	381	377	326
Inner Regional Australia	87	83	83	80	81
Outer Regional Australia	46	47	49	47	43
Remote Australia	5	5	5	5	3
Very Remote Australia	2	2	2	1	1
Not Available	3	0	0	0	0
Total	567	536	520	510	454

⁷ ABS catalogue 1270.055.005 - 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 September 2018 to 30 September 2019.⁸

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 22.5% 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.

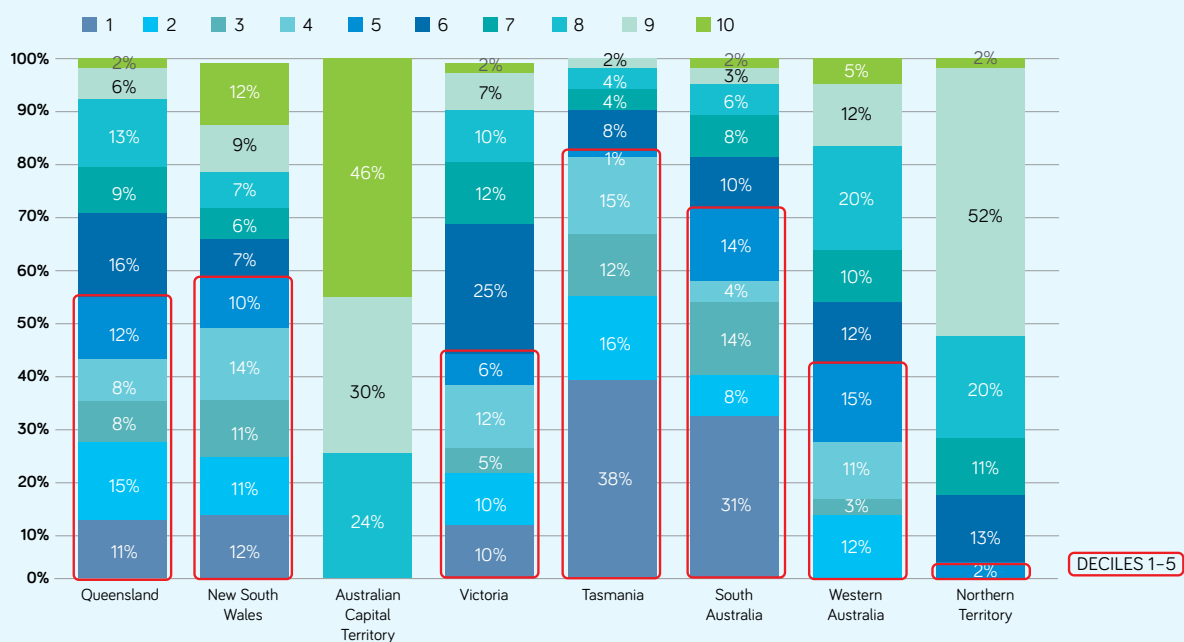
Figure 3 below shows the variation in distribution across states and territories. The states with the largest proportion of educators located in areas ranked within the first five deciles of relative socio-economic disadvantage are Tasmania (81.2%), South Australia (71.3%), New South Wales (57.7%), and Queensland (53.9%), with Victoria sitting at 43.9%. These proportions show almost no change to those from the previous quarter, despite small movements in actual member numbers nationally. At 38.2%, 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 30.6%, virtually unchanged from the previous quarter.

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

Index of Relative Socio-economic Disadvantage	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19
1	1,792	1,699	1,579	1,513	1,471
2	1,752	1,676	1,612	1,546	1,483
3	1,196	1,148	1,122	1,096	1,057
4	1,724	1,652	1,591	1,542	1,519
5	1,425	1,328	1,282	1,274	1,236
6	2,329	2,171	2,069	2,001	1,947
7	1,310	1,234	1,203	1,189	1,150
8	1,608	1,538	1,493	1,448	1,400
9	1,200	1,170	1,127	1,080	1,051
10	922	886	863	861	831
Not Available	12	6	7	0	11
Total	15,270	14,508	13,948	13,550	13,156

⁸ 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 September 2018 to 30 September 2019.⁹

During this reporting period, the deciles with the highest representation of services continue to be deciles 6 and 1, representing 14.8% and 13.2% of services respectively. However, almost a quarter of service members (23.8%) continue to be located within deciles 1 and 2 (the two highest areas of socio-economic disadvantage), virtually unchanged from the previous quarter (23.7%). Over half (52.6%) of family day care services continue to be located in areas situated within deciles 1-5 of highest socio-economic disadvantage.

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

Index of Relative Socio-economic Disadvantage	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19
1	73	70	68	69	60
2	71	61	59	52	48
3	55	53	52	51	37
4	55	57	58	57	55
5	49	44	44	37	39
6	73	73	76	72	67
7	58	51	43	44	39
8	46	46	42	45	38
9	49	46	46	48	42
10	31	31	29	31	27
Not Available	7	4	3	4	2
Total	567	536	520	510	454

⁹ 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

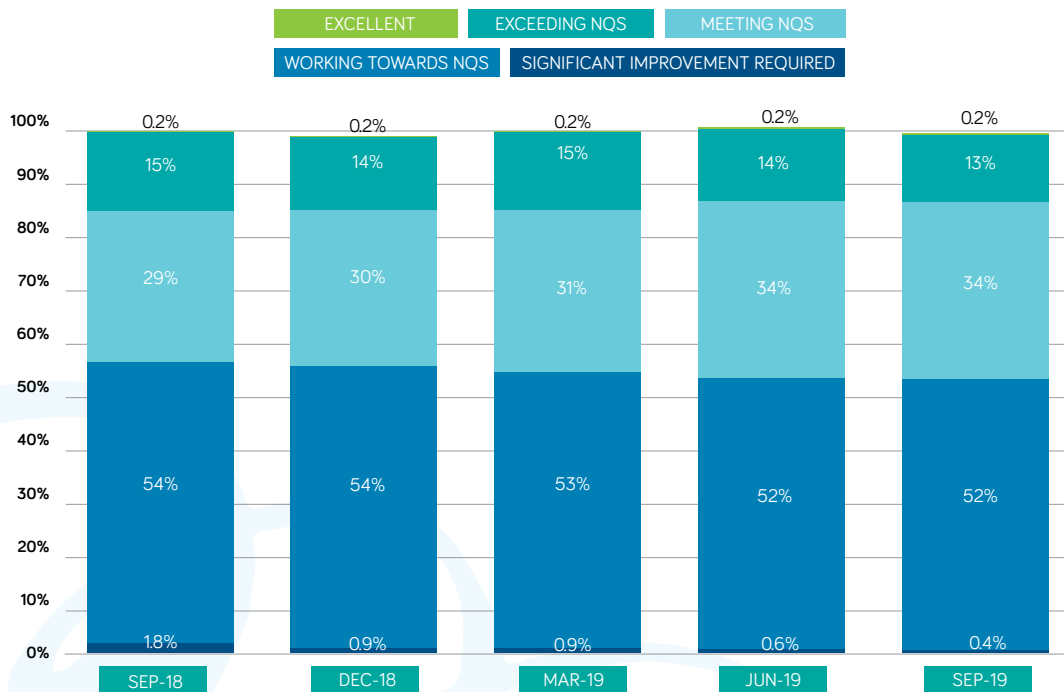
4.1 Overall Quality Rating

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 September 2018 to 30 September 2019. The proportion of approved family day care services assessed by ACECQA as *Working Towards NQS* (52%) has remained static from the previous quarter, declining slightly from 54% in September 2018. The proportion of assessed services rated as *Meeting NQS* has not changed from June 2019, however the proportion rated *Exceeding NQS* has decreased slightly from 14% to 13%.

Looking over the past 12 months there have been improvements in the reduction of the overall proportion of services rated as *Significant Improvement Required* (1.8 % down to 0.4%) and an increase in the number of services rated as *Meeting NQS* (from 29% up to 34%). The proportion of services rated *Meeting NQS* or above has increased notably over this period (44% in September 2018 to 47% in September 2019).

FIGURE 4: PROPORTION OF SERVICES BY OVERALL QUALITY RATING¹⁰ FROM 30 SEPTEMBER 2018 TO 30 SEPTEMBER 2019.



10 ACECQA National Register, as at 30 September 2019.

Table 7 below depicts the number of assessed family day care services by overall quality rating and state or territory as at 30 September 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 (30%), the Northern Territory (25%) and Queensland (21.9%). In contrast, Tasmania and New South Wales are the only states with services rated by ACECQA as *Significant Improvement Required*, representing 10% 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* (57%), followed by Northern Territory (50%).

The proportion of total services assessed nationally since the last quarter has risen from 88% to 92%.

TABLE 7: NUMBER OF SERVICES BY OVERALL QUALITY RATING¹¹ AND STATE AND TERRITORY AS AT 30 SEPTEMBER 2019.

State	Excellent	Exceeding NQS	Meeting NQS	Working Towards NQS	Significant Improvement Required	Not yet assessed	Total	Assessed Services
ACT	0	1	4	2	0	1	8	88%
NSW	0	16	57	96	1	5	175	97%
NT	0	1	2	1	0	0	4	100%
QLD	1	23	43	38	0	5	110	95%
SA	0	1	2	9	0	0	12	100%
TAS	0	3	2	4	1	0	10	100%
VIC	0	16	58	91	0	29	194	85%
WA	0	5	2	22	0	4	33	88%
Total	1	66	170	263	2	44	546	92%

¹¹ ACECQA National Register, as at 30 September 2019.



4.2 Quality Area Rating

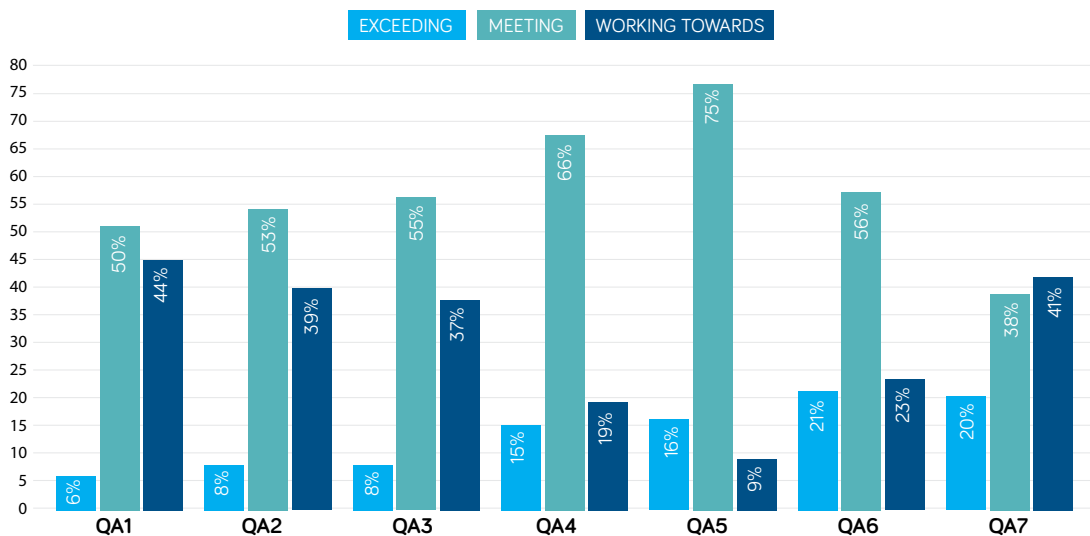
Figure 5 below shows service data by NQS Quality Area rating as provided by ACECQA at 30 September 2019. Supplementary data and analysis on the education and care sector as a whole is available in ACECQA's NQF Snapshot reports.¹²

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 June 2019 quarter.¹³

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 performance¹⁴ 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; 81% 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 is awarded are in QA6 (21%) and QA7 (20%). The quality areas that show the highest proportion of Working Towards NQS ratings are QA1 (44%) and QA7 (41%).

FIGURE 5: SERVICE QUALITY AREA RATING¹⁵ AS AT 30 SEPTEMBER 2019.



¹² See www.acecqa.gov.au/nqf/snapshots

¹³ For previous editions of the FDCA Family Day Care Sector Profile see www.familydaycare.com.au/representing-you/sector-profile.

¹⁴ 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.

¹⁵ 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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