FAMILY DAY CARE AUSTRALIA

Family Day Care Sector Profile

SEPTEMBER 2017

Family DAY CARE AUSTRALIA

TABLE OF CONTENTS

OVERVIEW

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

The report consolidates and analyses a number of data sources (including FDCA internal member data[2], the Australian Children's Education and Care Quality Authority National Register and Australian Bureau of Statistics data) 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.

Information in this report is presented from the September 2016 quarter to the September 2017 quarter, however the primary focus of the analysis relates to the changes between the June 2017 quarter and the September 2017 quarter.

1 All FDCA Family Day Care Sector Profile editions 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.

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 2017.

The total number of family day care services and educators across Australia is 707 and 19,515 respectively.

Victoria has the largest family day care community with 298 services and 7,098 educators, and the Northern Territory is the smallest with 3 services and 58 educators.

FIGURE 1: NUMBER OF CURRENT FAMILY DAY CARE MEMBERS AS AT 30 SEPTEMBER 2017

EDUCATOR MEMBER NUMBERS

Table 1 below outlines the total number of family day care educators by state and territory from September 2016 to September 2017.

In line with the general trend across 2016 to 2017, there continued to be a decrease (6.3%) in total educator numbers nationally from the June 2017 quarter to the September 2017 quarter. Similarly, all states and territories showed decreases in educator numbers between these quarters. The greatest proportional decrease in educator numbers again occurred in the Northern Territory (9.4%), however the actual decrease was only 6 educators. The next highest proportional decrease occurred in Victoria (8.1%) which represented a significant number of educators, due to Victoria retaining the largest number of educators in any state or territory (n=626). New South Wales also suffered a significant decline in numbers at 6.4%.

As outlined in the previous edition of the Family Day Care Sector Profile, this downward trend may continue to be attributed to a number of legislative instruments which made additional changes to the child care payments legislative framework in order to facilitate greater levels of compliance within the sector.

New South Wales, Queensland and Victoria continue to retain the largest family day care educator numbers, which equates to 85.2% of total educators between the three states.

TABLE 1: EDUCATOR MEMBER NUMBERS BY STATE AND TERRITORY FROM 30 SEPTEMBER 2016 TO 30 SEPTEMBER 2017

State	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17
Queensland	3,912	3,775	3,634	3,499	3,370
New South Wales	7,125	6,974	6,762	6,581	6,157
Australian Capital Territory	208	207	201	204	197
Victoria	8,624	8,396	8,182	7,724	7,098
Tasmania	435	426	414	401	395
South Australia	922	863	784	711	675
Western Australia	1,735	1,726	1,691	1,633	1,565
Northern Territory	67	65	61	64	58
Total	**23,028**	**22,432**	**21,729**	**20,817**	**19,515**

SERVICE MEMBER NUMBERS

Table 2 below outlines the total number of family day care services by state and territory from September 2016 to September 2017.[3]

Total service numbers continue to decrease at a relatively consistent pace from the June 2017 quarter to the September 2017 quarter (7.2%). The largest proportional decrease in service numbers during this period occurred in South Australia (13%).[4] Service numbers in Victoria declined by 8.6% over the quarter, and New South Wales and Queensland both declined in service numbers by 6.5%.

Service numbers in the Australian Capital Territory, the Northern Territory and Western Australia remained relatively static during this period.

TABLE 2: SERVICE MEMBER NUMBERS BY STATE AND TERRITORY FROM 30 SEPTEMBER 2016 TO 30 SEPTEMBER 2017.

State	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17
Queensland	132	127	127	123	115
New South Wales	244	245	238	217	203
Australian Capital Territory	14	14	16	14	14
Victoria	344	351	354	326	298
Tasmania	10	12	12	12	11
South Australia	25	27	29	23	20
Western Australia	52	49	45	44	43
Northern Territory	6	6	6	3	3
Total	**827**	**831**	**827**	**762**	**707**

3 Please note: 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 CCB approval.

4 Please note: the small number of services in this jurisdiction contributes to the seemingly significant percentage decrease in services between quarters.

LOCATION

REMOTENESS AREA

Educator

Table 3 below provides a breakdown of educator location by remoteness area[5] from September 2016 to September 2017.

The number of educators in all remoteness categories has declined between the June 2017 quarter and the September 2017 quarter, apart from the Remote Australia category which increased slightly (5.5%). There was a 7% decline in educator numbers within Major Cities over this period, a 2.9% decline in Inner Regional Australia and a 4% decline in Outer Regional Australia.

Despite the 6.3% decline in total educator numbers since the previous quarter, the remoteness profile of the family day care sector has not changed significantly. The vast majority (78.5%) of educators continued to reside within Major Cities of Australia. 21.3% of educators reside in regional or remote areas, which has increased slightly from the previous quarter (previously 20.6%).

From the June 2017 quarter, the number of educators residing in Inner Regional Australia has declined by 2.9% and the number of educators residing in Outer Regional Australia has declined by 4%. The percentage of educators residing in Remote Australia and Very Remote Australia has remained relatively static at 0.7%.

TABLE 3: EDUCATOR MEMBER NUMBERS BY REMOTENESS AREA FROM 30 SEPTEMBER 2016 TO 30 SEPTEMBER 2017.

Remoteness Area	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17
Major Cities of Australia	18,376	17,861	17,291	16,486	15,325
Inner Regional Australia	3,145	3,101	3,060	2,999	2,912
Outer Regional Australia	1,284	1,261	1,203	1,163	1,116
Remote Australia	142	130	111	110	116
Very Remote Australia	36	36	28	25	21
Not Available	45	43	36	34	25
Total	**23,028**	**22,432**	**21,729**	**20,817**	**19,515**

5 ABS Cat. No. 1270.0.55.006 - Australian Statistical Geography Standard (ASGS): Postcode 2011 to Remoteness Area 2006.

Service

Table 4 presents service member numbers by remoteness area from 30 September 2016 to 30 September 2017.

Service numbers in all remoteness categories either decreased or remained static from the June 2017 quarter to the September 2017 quarter. The number of services in Major Cities was the only category to decline relatively significantly during this period (8.8%).

20.5% of services are located in regional or remote areas at September 2017, up from 19.1% in the June 2017 quarter. This proportional increase can be attributed to the decline in services in Major Cities.

TABLE 4: SERVICE MEMBER NUMBERS BY REMOTENESS AREA FROM 30 SEPTEMBER 2016 TO 30 SEPTEMBER 2017.

Remoteness Area	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17
Major Cities of Australia	679	676	672	616	562
Inner Regional Australia	85	92	94	91	90
Outer Regional Australia	44	47	51	47	47
Remote Australia	5	5	7	6	6
Very Remote Australia	1	1	2	2	2
Not Available	13	10	1	0	0
Total	**827**	**831**	**827**	**762**	**707**

SOCIO-ECONOMIC DISADVANTAGE

Educator

Table 5 illustrates educator member numbers by socio-economic disadvantage decile from 30 September 2016 to 30 September 2017. [6]

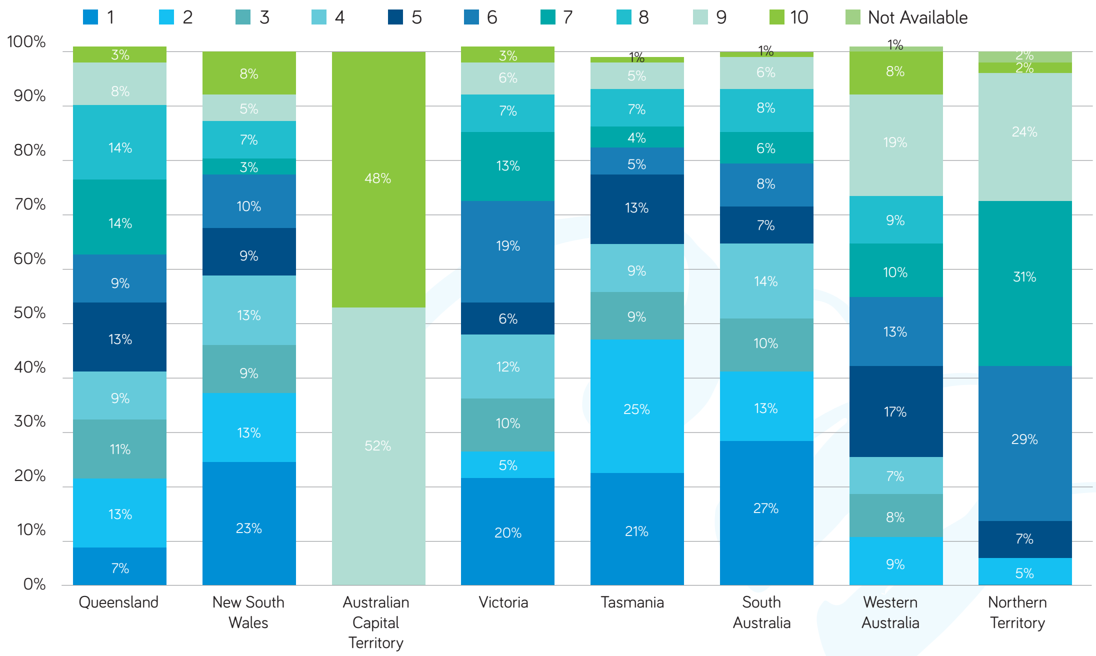
In the September 2017 quarter, the decile with the highest number of educators (17.3%) is the decile 1 category, which represents areas with the highest level of socio-economic disadvantage. While numbers in this decile have decreased by 12.3% from the previous quarter, the overall proportion of educators within the decile 1 category has only decreased slightly from the June 2017 quarter (1.2%).

Over half (56.9%) of educators continue to reside in areas that are in the five deciles of highest socio-economic disadvantage, down from 58.1% in the June 2017 quarter.

TABLE 5: EDUCATOR MEMBER NUMBERS BY SOCIO-ECONOMIC DISADVANTAGE FROM 30 SEPTEMBER 2016 TO 30 SEPTEMBER 2017.

Index of Relative Socio-economic Disadvantage	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17
1	4,591	4379	4,151	3,855	3,381
2	2,304	2223	2,139	2,031	1,886
3	2,268	2199	2,127	1,989	1,860
4	2,510	2481	2,409	2,330	2,190
5	2,074	2007	1,968	1,891	1,791
6	2,825	2775	2,683	2,625	2,519
7	2,060	2001	1,929	1,853	1,765
8	1,706	1694	1,695	1,662	1,598
9	1,568	1550	1,539	1,501	1,461
10	1,071	1074	1,046	1,039	1,033
Not Available	51	49	43	41	31
Total	**23,028**	**22432**	**21,729**	**20,817**	**19,515**

FIGURE 2: EDUCATOR MEMBER NUMBERS BY SOCIO-ECONOMIC DISADVANTAGE AND STATE AND TERRITORY AS AT 30 SEPTEMBER 2017 USING AUSTRALIAN RANKING.



6 ABS Cat. No. 2033.0.55.001 Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2011

Service

Table 6 below depicts service member numbers by socio-economic disadvantage from 30 September 2016 to 30 September 2017.[7]

Similar to the socio-economic distribution of educators, the decile with the highest representation of services is decile 1 (highest socio-economic disadvantage) which retains 20.5% of services.

Over half (60.4%) of services are located in areas that are categorised under the five deciles of highest socio-economic disadvantage.

TABLE 6: SERVICE MEMBER NUMBERS BY SOCIO-ECONOMIC DISADVANTAGE FROM 30 SEPTEMBER 2016 TO 30 SEPTEMBER 2017.

Index of Relative Socio-economic Disadvantage	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17
1	188	195	188	170	145
2	83	90	88	78	66
3	72	71	81	78	76
4	91	85	90	85	80
5	66	62	64	59	60
6	105	111	104	95	91
7	80	76	75	68	64
8	50	50	52	47	47
9	41	44	48	50	44
10	31	31	30	26	26
Not Available	20	16	7	6	8
Total	**827**	**831**	**827**	**762**	**707**

7 The postcode of the registered office on the ACECQA National Register was utilised to determine the remoteness area of approved services in this report. The December 2016 Family Day Care Sector Profile utilised the postcode registered internally with Family Day Care Australia which may result in some minor discrepancies in the data between the December 2016 data set and the March 2017 set onwards.

EDUCATOR

AGE

Table 7 below indicates educator member numbers by age from 30 September 2016 to 30 September 2017.

From the June 2017 quarter to the September 2017 quarter, there was a decrease in all educator age ranges, apart from the 60-64 age range which remained static.

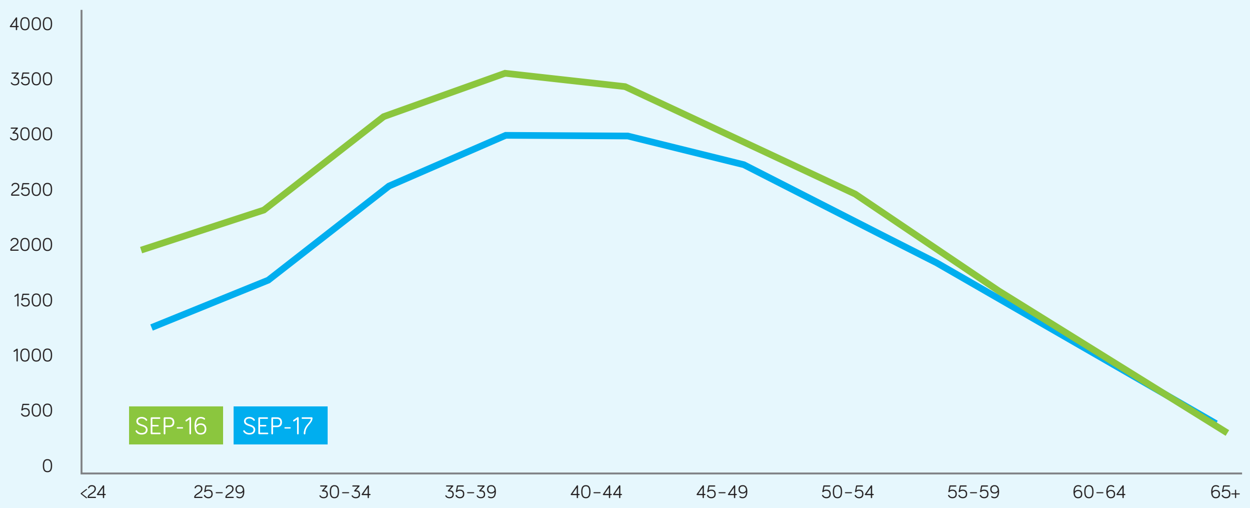
The largest proportional decreases occurred in the <24 age range (17.6%), the 25-29 age range (10.7%), and the 30-34 age range (8.6%) over this period.

The highest proportion of educators (within a single age bracket) remains in the 35-39 age range (15.4% of total educators).

TABLE 7: EDUCATOR MEMBER NUMBERS BY AGE FROM 30 SEPTEMBER 2016 TO 30 SEPTEMBER 2017.

Age	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17
<24	2,011	1,838	1,690	1,555	1,282
25-29	2,349	2,217	2,068	1,902	1,699
30-34	3,175	3,014	2,911	2,772	2,533
35-39	3,564	3,512	3,393	3,227	3,007
40-44	3,421	3,360	3,259	3,102	3,000
45-49	2,925	2,858	2,875	2,834	2,736
50-54	2,443	2,473	2,375	2,285	2,180
55-59	1,699	1,691	1,721	1,703	1,649
60-64	1,025	1,044	1,007	1,020	1,020
65+	410	423	427	415	408
Not Available	6	2	3	2	1
Total	**23,028**	**22,432**	**21,729**	**20,817**	**19,515**

FIGURE 3: EDUCATOR MEMBER NUMBERS BY AGE AT 30 SEPTEMBER 2016 AND 30 SEPTEMBER 2017.



SERVICE

OVERALL QUALITY RATING

Table 8 below depicts the number of services by overall quality rating and state as at 30 September 2017.

The only state or territory with a majority of services not yet assessed is South Australia (65.5%).

There has been an overall increase in the proportion of total services assessed nationally since the last quarter (from 73% to 78%). Tasmania has the largest proportion of services assessed (93%), followed by Western Australia (91%).

Victoria and New South Wales remain the only two states with services rated Significant Improvement Required. There was a minor decrease in services with this rating in Victoria (n=1), however the number of services with this rating in NSW remained static from the previous quarter.

The states with the highest proportion of services rated Exceeding NQS are Tasmania (42.8%) and Queensland (24%).

TABLE 8: NUMBER OF SERVICES BY OVERALL QUALITY RATING[8] AND STATE AND TERRITORY AS AT 30 SEPTEMBER 2017.

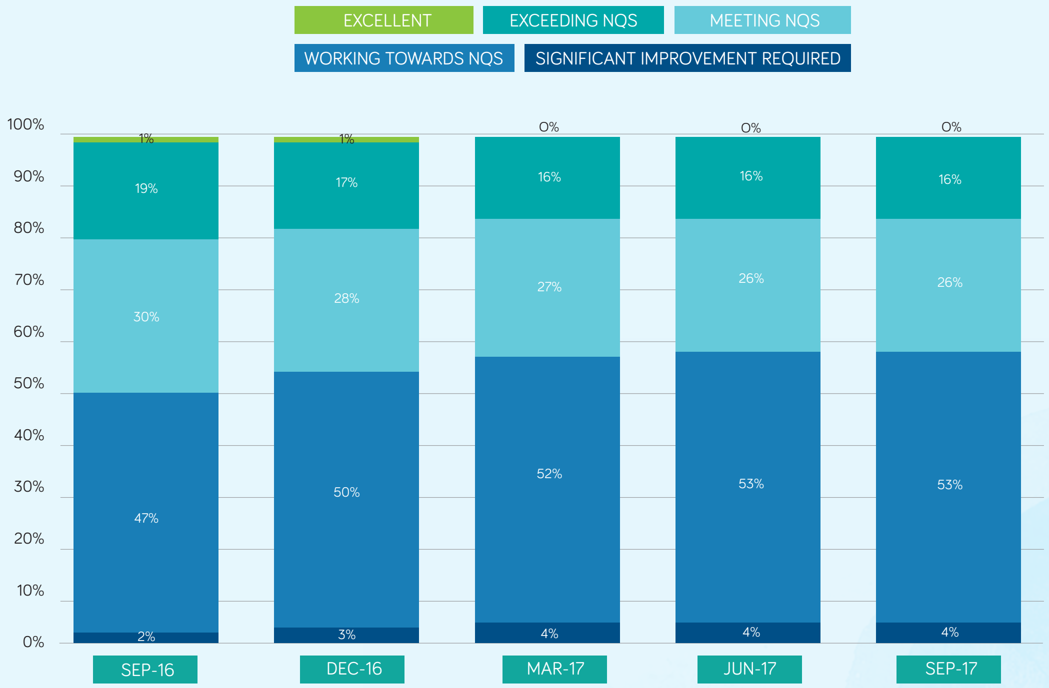
State	Excellent	Exceeding NQS	Meeting NQS	Working Towards NQS	Significant Improvement Required	Not yet assessed	Total	Assessed Services
ACT	0	1	3	3	0	4	11	64%
NSW	0	29	57	117	18	56	277	80%
NT	1	1	0	2	0	1	5	80%
QLD	2	31	34	25	0	35	127	72%
SA	0	1	2	7	0	19	29	34%
TAS	0	6	2	5	0	1	14	93%
VIC	0	33	72	164	9	71	349	80%
WA	0	4	5	30	0	4	43	91%
Total	**3**	**106**	**175**	**353**	**27**	**191**	**855**	**78%**

8 ACECQA National Register, as at 30 September 2017.

Figure 4 below indicates the proportion of services by overall quality rating from 30 September 2016 to 30 September 2017.

Despite a slight decline in the proportion of services rated Meeting NQS and Exceeding NQS from the September 2016 quarter to the September 2017 quarter, the proportion of services in all quality rating areas has not fluctuated from the June 2017 quarter.

FIGURE 4: PROPORTION OF SERVICES BY OVERALL QUALITY RATING FROM 30 SEPTEMBER 2016 TO 30 SEPTEMBER 2017.



QUALITY AREA RATING

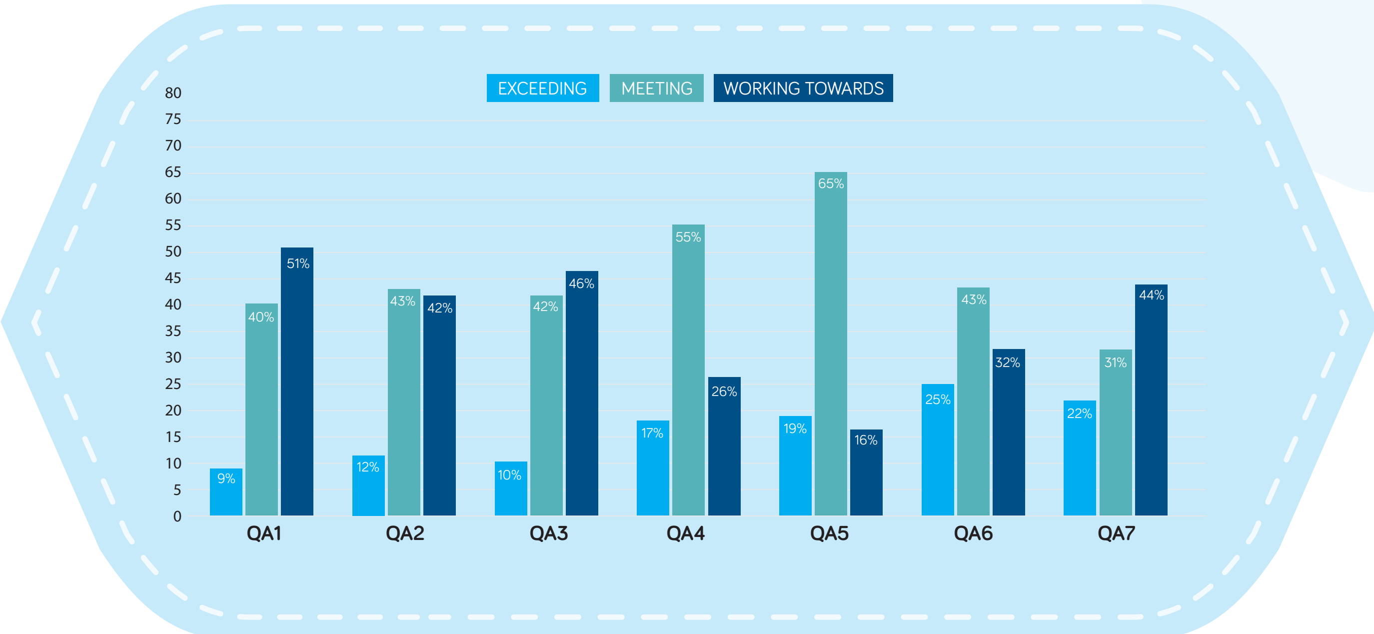
Figure 5 below shows services by NQS Quality Area rating as at 30 September 2017.

The proportion of services rated Exceeding NQS has not fluctuated across all Quality Areas from the June 2017 quarter.[9]

Based on the Quality Area rating data, family day care services perform best[10] in QA4 (Staffing Arrangements), QA5 (Relationships with Children) and QA6 (Collaborative Partnerships with Families and Communities): 72% of services are rated either Meeting NQS or Exceeding NQS in QA4; 84% fall within these rating categories in QA5; and, 68% meet these benchmarks in QA6.

A majority of services are rated either Meeting NQS or Exceeding NQS across all NQS Quality Areas apart from QA1 (49%). Across the seven categories, the two Quality Areas displaying the highest proportion of Exceeding NQS ratings are awarded in QA6 (25%) and QA7 (22%).

FIGURE 5: SERVICE QUALITY AREA RATING[11] AS AT 30 SEPTEMBER 2017.



9 Please see the June 2017 edition of the Family Day Care Sector Profile at http://www.familydaycare.com.au/representing-you/sector-profile.

10 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.

11 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 - Leadership and service management.

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