



Australian Government

Department of Education, Employment and Workplace Relations  
Office of Early Childhood Education and Child Care

# Office of Early Childhood Education & Child Care



## Child Care Update

This publication provides information about child care across Australia for the June quarter 2010. The data in the report are sourced primarily from the Department's administrative system, the Child Care Management System.

### Key findings

- In the June quarter 2010 there were 869,770 Australian children in approved child care, up 8.7 per cent on the June quarter 2009.
- Almost one in four children aged 0 to 12 years attended child care in the June quarter 2010.
- During the June quarter 2010, the total estimated expenditure on Child Care Benefit and Child Care Rebate was \$812.6 million.
- The Australian Government has made a significant investment in child care in regional areas with more than 28 per cent of children attending child care in regional and remote areas of Australia.
- Australian Government subsidies have reduced the cost of child care.
  - In the June quarter 2010, a family earning \$75,000 per year would have used 23 per cent of their disposable income on child care without the subsidies, compared with 7 per cent after the subsidies.
  - Since 2004, out-of-pocket costs for families earning \$75,000 have reduced from 13 per cent of their disposable income to 7 per cent in 2010.



February 2011

# Introduction

This publication presents information on the numbers of children and families using approved child care and the numbers and types of child care services in Australia. It also presents information on the costs of care. It includes data from the Child Care Management System (CCMS) as well as information from the *MyChild* website.

## Children

During the June quarter 2010, 869,770 children used approved child care in Australia. This represents 23.7 per cent of the 3,663,930 children aged 0 to 12 years in Australia. Since the June quarter 2009, there has been an increase of 8.7 per cent in the number of children using approved child care services.

Children attended various services providing approved child care, including long day care, family day care, occasional care and outside school hours care. During the June quarter 2010, 60.7 per cent of all children using approved child care services attended long day care services, 29.5 per cent outside school hours care and 12.1 per cent family day care services.

**Table 1: Number of children using child care, June quarter 2009 to June quarter 2010**

Service type	June 09	Sept. 09	Dec. 09	Mar. 10	June 10
Long day care	476,170	530,030	543,840	545,190	528,140
Family day care and In-home care	99,960	106,640	106,230	108,900	105,380
Occasional care	7,150	8,120	7,950	6,830	6,910
Outside school hours care	242,500	253,760	242,600	258,230	256,160
<b>Total<sup>1</sup></b>	<b>800,370</b>	<b>871,110</b>	<b>874,320</b>	<b>879,050</b>	<b>869,770</b>
<b>Per cent of Australian population<sup>2</sup></b>	<b>22.1%</b>	<b>24.1%</b>	<b>24.2%</b>	<b>24.0%</b>	<b>23.7%</b>

<sup>1</sup> As children may use more than one service type in any particular quarter and due to rounding, the sum of the component parts may not equal the Total. Total includes children with unknown age and children aged 12 years or over.

<sup>2</sup> Number of children using child care as a per cent of all Australian children aged 0-12 years.

Source: DEEWR administrative data & ABS Cat no. 3201.0 *Population by age and sex, Australian states and territories, June 2009* (for June, September and December quarters 2009) and *2010* (for March and June quarters 2010).

While most children use child care in major cities, a substantial number (28.6 per cent) of children use child care in regional areas. Child care provided in regional areas is comprised of inner regional (19.6 per cent), outer regional (8.1 per cent), and remote and very remote Australia (0.9 per cent).

**Table 2: Number of children using child care by region, June quarter 2010**

Service type	Major Cities of Australia	Regional and Remote Australia
Long day care	381,470	148,610
Family day care and In-home care	57,020	48,650
Occasional care	4,050	2,860
Outside school hours care	199,080	57,660
<b>Total<sup>1</sup></b>	<b>626,130</b>	<b>247,890</b>

<sup>1</sup> As children may use more than one service type in more than one region in any particular quarter and due to rounding, the sum of the component parts may not equal the Total. Total includes children with unknown age and children aged 12 years or over.

Source: DEEWR administrative data

During the June quarter 2010 the average time that a child spent in approved child care was 21.6 hours per week, which is consistent with previous quarters.

**Table 3: Average weekly hours in child care, June quarter 2009 to June quarter 2010**

Service type	June 09	Sept. 09	Dec. 09	Mar. 10	June 10
Long day care	25.9	25.8	25.7	25.7	25.7
Family day care and In-home care	19.4	19.5	19.6	19.9	19.7
Occasional care	10.3	10.0	9.9	10.1	9.9
Outside school hours care	12.8	13.8	12.5	13.9	12.6
<b>Total<sup>1</sup></b>	<b>21.5</b>	<b>21.9</b>	<b>21.7</b>	<b>21.9</b>	<b>21.6</b>

<sup>1</sup>Source: DEEWR administrative data.

## Families

During the June quarter 2010, there were 627,980 families using some form of approved child care for their children. This is an increase (8.4 per cent) in the number of families using approved child care services since the June quarter 2009. This increase was greatest for long day care (10.4 per cent).

**Table 4: Number of families using child care, June quarter 2009 to June quarter 2010**

Service type	June 09	Sept. 09	Dec. 09	Mar. 10	June 10
Long day care	390,130	427,660	437,350	436,740	430,650
Family day care and In-home care	68,760	73,210	72,800	74,200	72,470
Occasional care	5,880	6,620	6,470	5,580	5,710
Outside school hours care	173,600	181,580	174,320	183,930	183,800
<b>Total<sup>1</sup></b>	<b>579,470</b>	<b>624,640</b>	<b>627,980</b>	<b>629,370</b>	<b>627,980</b>

<sup>1</sup> As families may use more than one service type in any particular quarter and due to rounding, the sum of the component parts may not equal the Total.

Source: DEEWR administrative data.

## Services

During the June quarter 2010, there were 13,899 approved child care services operating in Australia, an increase of 383 services since June quarter 2009.

In the June quarter 2010, outside school hours care services accounted for 53.9 per cent of all services, while long day care services accounted for 42.7 per cent of all services.

**Table 5: Number of child care services by service type, June quarter 2009 to June quarter 2010**

Service type	June 09	Sept. 09	Dec. 09	Mar. 10	June 10
Long day care	5,690	5,758	5,800	5,886	5,930
Family day care and In-home care	383	379	386	389	389
Occasional care	96	91	91	86	85
Outside school hours care	7,347	7,410	7,140	7,442	7,495
<b>Total</b>	<b>13,516</b>	<b>13,638</b>	<b>13,417</b>	<b>13,803</b>	<b>13,899</b>

Source: DEEWR administrative data.

## Costs of care

The Australian Government subsidises the cost of child care for eligible families through Child Care Benefit and the Child Care Rebate to help parents with the cost of approved child care.

From 1 July 2008, the Child Care Rebate increased from 30 per cent to 50 per cent of all approved out-of-pocket child care costs.

During the June quarter 2010, the total estimated expenditure on Child Care Benefit and Child Care Rebate was \$812.6 million. Approximately three quarters (78.0 per cent) of this was paid to families using long day care services (Table 6).

**Table 6: Total estimated expenditure on Child Care Benefit and Child Care Rebate by service type, June quarter 2010**

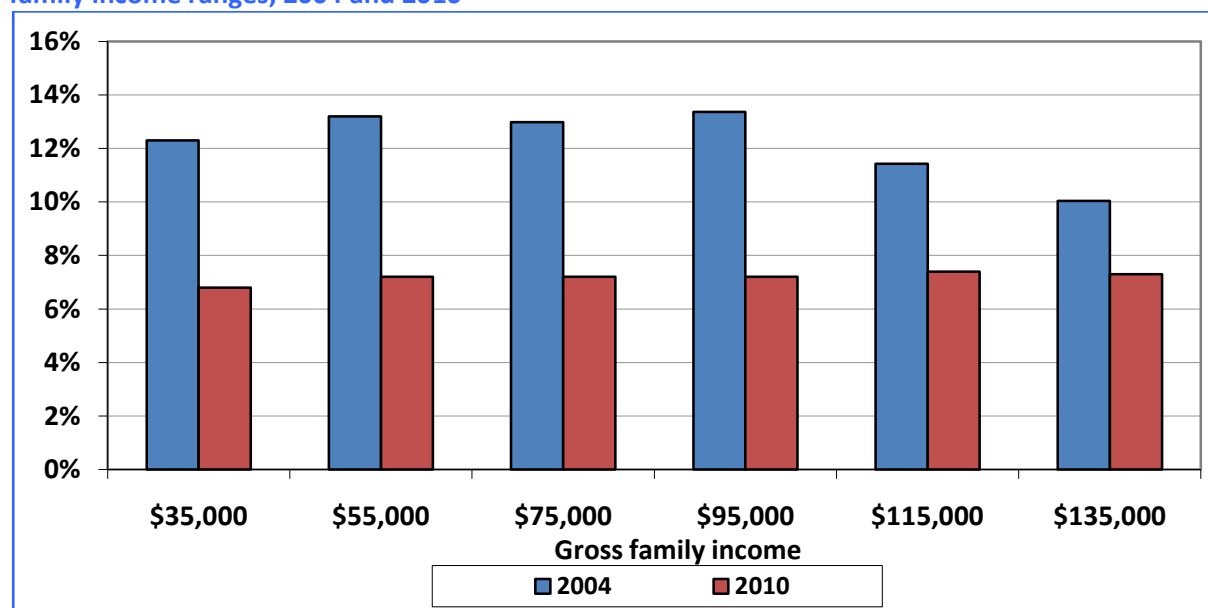
Service type	Child Care Benefit ('000)	Child Care Rebate ('000)	Total ('000)
Long day care	\$348,061	\$286,175	\$634,236
Family day care and In-home care	\$76,120	\$27,592	\$103,712
Occasional care	\$1,395	\$1,295	\$2,690
Outside school hours care	\$37,187	\$34,820	\$72,007
<b>Total<sup>1</sup></b>	<b>\$462,764</b>	<b>\$349,882</b>	<b>\$812,646</b>

<sup>1</sup> As families may use more than one service type in any particular quarter and due to rounding, the sum of the component parts may not equal the Total.

Source: DEEWR administrative data.

Out-of-pocket costs to parents have fallen from 2004 to 2010 across the income spectrum. In 2004, the out-of-pocket costs, after Australian Government subsidies, for a family with one child in long day care and earning \$55,000 a year was approximately 13 per cent of their disposable income. In 2010, this proportion had declined to around 7 per cent. For families with a gross annual income of \$115,000 the proportion of their disposable income spent on child care declined from just over 11 per cent in 2004 to approximately 7 per cent in 2010 (Figure 1).

**Figure 1: Out-of-pocket costs as a proportion of disposable income in long day care by selected family income ranges, 2004 and 2010**

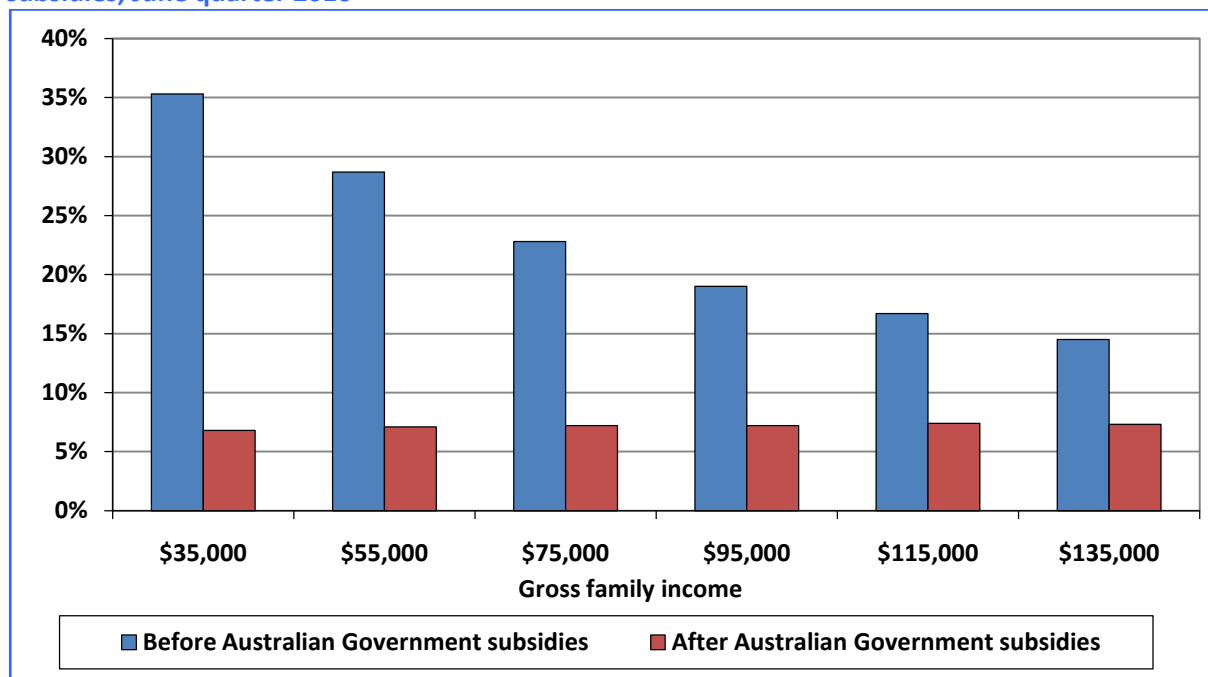


Source: DEEWR administrative data.

Note: This graph depicts families with one child, using 50 hours of care per week, paying the average cost for long day care in the week ending 28 March 2004, and the March quarter 2010.

Figure 2 provides the out-of-pocket costs (before and after Australian Government subsidies) for families with one child using long day care for 50 hours of care per week. Before subsidies, out-of-pocket costs varied from approximately 35 per cent of weekly disposable income for families earning up to \$35,000 per year, to 15 per cent for families earning \$135,000 per year. After subsidies, out-of-pocket costs were reduced to around 7 per cent of weekly disposable income across all income ranges.

**Figure 2: Out-of-pocket costs for one child in long day care before and after Australian Government subsidies, June quarter 2010**



Source: DEEWR administrative data.

## Vacancies

Information on vacancies is published on the [mychild.gov.au](http://mychild.gov.au) website on a quarterly basis. Quarterly vacancy reports can be found at [www.mychild.gov.au/pages/ResourcesReports.aspx](http://www.mychild.gov.au/pages/ResourcesReports.aspx).

Vacancy information for individual services is also available at [www.mychild.gov.au](http://www.mychild.gov.au).

## State by state

In the June quarter 2010, the largest proportion of children attending approved child care services was in New South Wales (31.7 per cent), followed by Queensland (25.4 per cent) and Victoria (22.8 per cent). In each of the states and territories, the largest numbers of children are in long day care (Table 7).

**Table 7: Number of children using child care by service type and state or territory, June quarter 2010**

Service type	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Australia
Long day care	175,090	112,600	140,270	34,640	42,740	10,550	3,900	9,350	<b>528,140</b>
Family day care and In-home care	35,910	25,330	22,340	8,040	6,560	5,200	710	1,350	<b>105,380</b>
Occasional care	2,500	2,130	930	150	810	190	0	200	<b>6,910</b>
Outside school hours care	70,650	63,510	63,410	28,520	14,290	6,780	2,860	6,310	<b>256,160</b>
<b>Total approved care<sup>1</sup></b>	<b>275,920</b>	<b>198,240</b>	<b>220,580</b>	<b>68,790</b>	<b>62,140</b>	<b>21,430</b>	<b>7,330</b>	<b>16,880</b>	<b>869,770</b>

<sup>1</sup> As children may use more than one service type in more than one state or territory in any particular quarter and due to rounding, the sum of the component parts may not equal the Total.

Source: DEEWR administrative data.

In the June quarter 2010, more than 206,000 families had children attending approved child care, representing 32.9 per cent of all families, followed by Queensland (more than 155,000 families or 24.7 per cent) and Victoria (141,000 families or 22.5 per cent). Across Australia, two-thirds (68.6 per cent or 430,650 families) of all families had children in long day care (Table 8).

**Table 8: Number of families using child care by service type and state or territory, June quarter 2010**

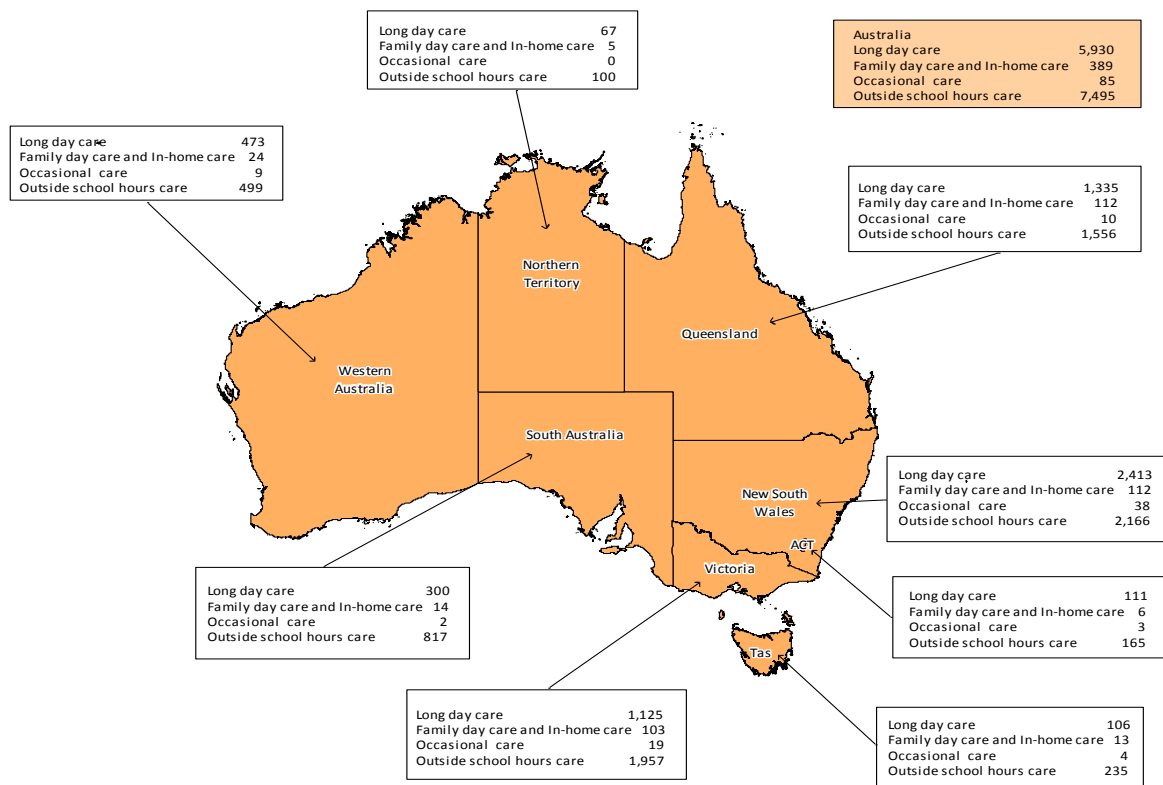
Service type	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Australia
Long day care	147,170	92,000	109,860	28,200	34,610	8,560	3,300	7,800	<b>430,650</b>
Family day care and In-home care	26,070	16,180	15,430	4,990	4,730	3,520	550	1,060	<b>72,470</b>
Occasional care	2,090	1,740	760	130	670	160	0	170	<b>5,710</b>
Outside school hours care	51,510	45,950	44,530	20,020	10,280	4,840	2,130	4,670	<b>183,800</b>
<b>Total approved care<sup>1</sup></b>	<b>206,560</b>	<b>141,000</b>	<b>155,280</b>	<b>47,400</b>	<b>46,700</b>	<b>14,900</b>	<b>5,230</b>	<b>12,280</b>	<b>627,980</b>

<sup>1</sup> As families may use more than one service type in more than one state or territory in any particular quarter and due to rounding, the sum of the component parts may not equal the Total.

Source: DEEWR administrative data.

A mix of approved child care services are located in all states and territories. In the June quarter 2010, one third of services were located in New South Wales (34.0 per cent), with 23.1 per cent in Victoria and 21.7 per cent in Queensland.

**Figure 3: Number of approved services by service type and state or territory, June quarter 2010**



Source: DEEWR administrative data.



# Technical Notes

**Transition to the Child Care Management System (CCMS):** From February 2008 to March 2009, new child care services were required to report to Government using CCMS rather than the previous Child care Operator System (COS), which was maintained by Centrelink. From June quarter 2009, all data has been sourced from CCMS.

One of the benefits of reporting using CCMS is that it enables child care services to be recorded in terms of the types of child care that are provided at the service – this method allows multiple types of care to be provided and recorded for each service. Previously, services could only report on the primary form of child care that they were approved to provide.

**Number of children:** In this report, the methodology for counting children refers to those who used an approved child care service within the quarter. As children may use more than one service type in any particular quarter, the sum of the component parts may not equal the 'Total' category. Similarly, as children often attend child care services for more than one quarter it is not possible to add quarterly data to obtain an annual number of children attending approved child care.

**Child age:** The age of a child represents the child's age in years at the end of the quarter.

**Number of families:** In this report, the methodology for counting families refers to those families whose children used an approved child care service within the quarter. As families may use more than one service type in any particular quarter, the sum of the component parts may not equal the 'Total' category. Similarly, as families often use child care services for more than one quarter it is not possible to add quarterly data to obtain an annual number of families using approved child care.

**State or territory:** In this report, the methodology for counting the number of children and families at a state and territory level is based on where the care is used. During any particular quarter, children and families may use approved child care in more than one state or territory and so may be counted more than once.

**Revisions:** Due to changes in the administrative system, data may be revised to ensure the most accurate, up-to-date figures are published.

# Definitions

**Approved care:** Care provided by long day care, family day care, in-home care, outside school hours care and occasional care services approved by the Australian Government to receive Child Care Benefit on behalf of families.

**Child Care Benefit (CCB):** A payment made by the Australian Government to families to assist with the cost of child care.

**Child Care Management System (CCMS):** This is the electronic system used for the administration of Child Care Benefit. Under CCMS, approved child care services submit attendance information to DEEWR over the internet. Data in this report are primarily sourced from CCMS.

**Child Care Rebate (CCR):** A payment made by the Australian Government to assist eligible working families with the out-of-pocket cost of child care. CCR is calculated based on the gap between the fees charged by the child care service and the CCB paid in respect of fee relief.

**DEEWR:** The Department of Education, Employment and Workplace Relations.

**Family day care:** A family day care scheme is a network of experienced caregivers who provide care and development activities for other people's young children in the caregiver's own home. Schemes are administered and supported by central coordination units.

**In-home care:** A form of approved child care in which experienced caregivers provide care for children in their own home.

**Long day care:** This is a centre-based form of child care service. Long day care services provide quality all day or part-time care for children of working families and the general community.

**Occasional care:** Provides care mainly for non-school aged children. These services cater mainly for the needs of families who require short-term care for their children.

**Outside school hours care:** Services provide care for school aged children before and/or after school during the school term. Some services also provide care on 'pupil free' days. Vacation care is also included in this category. Vacation care services provide care for schoolchildren during the school holidays.

**Region:** Regions of Australia are classified according to the ARIA classification. In this report, the inner regional, outer regional, remote and very remote and remote classifications are combined.

**Service:** Child care services are approved by the Australian Government to receive CCB on behalf of families. Most long day care, family day care, outside school hours care, vacation care services and some in-home care and occasional care services are approved child care services. Private operators, local councils, community organisations, employers or non-profit organisations may run these services.

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ABN 87 007 967 311

Level 5, 17 Moore Street, Canberra ACT 2600

GPO Box 9880 Canberra ACT 2601, Australia

Web:<http://www.DEEWR.gov.au>

Email: [childcare.data@deewr.gov.au](mailto:childcare.data@deewr.gov.au)