



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 September quarter 2011.

Key findings for the September quarter 2011:

- A record number of Australian children (992,520) were in approved child care, an increase of 9.0 per cent over the year.
- More than one in four children (27.6 per cent) aged 0 to 12 years attended child care.
- 704,030 families used approved child care of some kind, an increase of 8.0 per cent over the year.
- 14,523 child care services operated in Australia, an increase of 3.2 per cent over the year.
- The total estimated Child Care Benefit and Child Care Rebate entitlement was \$1.05 billion.



August 2012

Introduction

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

Children

During the September quarter 2011, 992,520 children used approved child care in Australia, up by 9.0 per cent over the year. This represents 27.6 per cent of the 3,591,780 children aged 0–12 years in Australia. This is a record number of children using approved child care.

Children attended various services providing approved child care, including long day care (61.2 per cent), outside school hours care (29.5 per cent), family day care and in-home care (11.7 per cent), and occasional care (0.8 per cent). This distribution remains unchanged from the September quarter 2010.

Table 1: Number of children using child care, September quarter 2010 to September quarter 2011

Service type	Sept. 10	Dec. 10	Mar. 11	June 11	Sept. 11
Long day care	556,650	568,080	593,240	585,000	607,510
Family day care and In-home care	108,090	108,200	114,110	112,720	115,660
Occasional care	7,460	7,320	7,120	7,580	7,660
Outside school hours care	267,530	255,850	280,200	288,090	292,810
Total¹	910,810	911,990	950,760	963,870	992,520
Per cent of Australian population²	24.9%	24.9%	25.9%	26.1%	27.6%

¹ 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 for the September quarter 2011 includes a very small number of children for which other details are unknown.

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

Source: Dept. Of Education, Employment and Workplace Relations (DEEWR) administrative data, ABS Cat no. 3201.0 *Population by age and sex, Australian states and territories, June 2010*, ABS Cat. no. 3101.0 *Australian Demographic Statistics, June 2011*, and ABS Cat. no. 2001.0 *Census 2011*.

While most children who used child care used services located in major cities, over one in four (27.7 per cent) children used child care services located in regional areas.

Table 2: Number of children using child care by region, September quarter 2011

Service type	Major Cities of Australia	Regional and Remote Australia
Long day care	437,380	169,460
Family day care and In-home care	67,040	47,530
Occasional care	4,770	2,890
Outside school hours care	227,360	65,780
Total¹	718,510	275,200

¹ 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 for the September quarter 2011 includes a very small number of children for which other details are unknown.

Source: DEEWR administrative data

During the September quarter 2011, for all types of child care, the average time that a child spent in approved child care was 23.3 hours per week. This compares with children who used long day care who attended for an average of 26.9 hours per week.

Table 3: Average weekly hours¹ in child care, September quarter 2010 to September quarter 2011

Service type	Sept. 10	Dec. 10	Mar. 11	June 11	Sept. 11
Long day care	26.4	26.3	26.4	26.0	26.9
Family day care and In-home care	20.4	20.6	21.3	21.0	21.7
Occasional care	11.4	11.3	11.4	11.0	11.6
Outside school hours care	11.8	10.8	12.1	10.2	11.7
Total²	22.9	22.8	23.0	22.2	23.3

¹ Due to improved data collection arrangements; the methodology for calculating *Average number of hours per week* has been changed from the September quarter 2011. The new methodology has been applied to the previous quarters shown above for consistency. This has resulted in minor variations to the Average number of hours per week in child care that was previously reported. Data from the quarters above should not be compared to previously published data.

² Total for the September quarter 2011 includes a very small number of children for which other details are unknown.

Source: DEEWR administrative data.

Families

During the September quarter 2011, there were 704,030 families using some form of approved child care for their children, an increase of 8.0 per cent over the year. This increase occurred across all service types.

Table 4: Number of families using child care, September quarter 2010 to September quarter 2011

Service type	Sept. 10	Dec. 10	Mar. 11	June 11	Sept. 11
Long day care	449,760	456,950	473,610	476,050	489,410
Family day care and In-home care	74,110	73,820	76,990	76,690	77,830
Occasional care	6,110	5,980	5,870	6,260	6,280
Outside school hours care	191,970	184,330	199,850	207,310	210,190
Total¹	652,120	653,310	676,270	691,060	704,030

¹ 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. Total for the September quarter 2011 includes a very small number of families for which other details are unknown.

Source: DEEWR administrative data.

Services

During the September quarter 2011, there were 14,523 approved child care services operating in Australia, an increase of 3.2 per cent (448 services) over the year.

In the September quarter 2011, outside school hours care services accounted for 54.7 per cent of all services, while long day care services accounted for 41.8 per cent of all services.

Table 5: Number of child care services by service type, September quarter 2010 to September quarter 2011

Service type	Sept. 10	Dec. 10	Mar. 11	June 11	Sept. 11
Long day care	6,027	5,991	6,086	6,053	6,071
Family day care and In-home care	395	400	401	413	419
Occasional care	86	86	85	84	82
Outside school hours care	7,567	7,330	7,718	7,891	7,950
Total¹	14,075	13,807	14,290	14,441	14,523

¹ Total for the September quarter 2011 includes a very small number of services for which other details are unknown.

Source: DEEWR administrative data.

Costs of care

The Australian Government subsidises the cost of child care for eligible families through the 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 up to an annual cap of \$7,500.

During the September quarter 2011, the total estimated expenditure on Child Care Benefit and Child Care Rebate was \$1.05 billion. Approximately three quarters (78.1 per cent) of this was paid on behalf of families using long day care services (Table 6).

Table 6: Total estimated Child Care Benefit and Child Care Rebate entitlements by service type, September quarter 2011

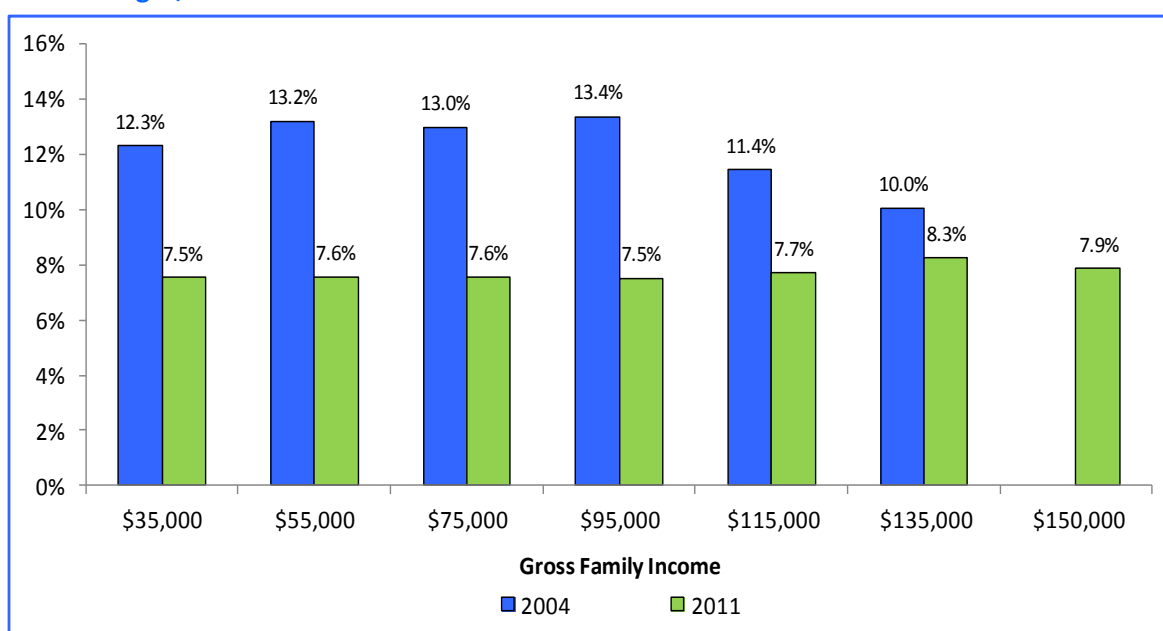
Service type	Child Care Benefit ('000)	Child Care Rebate ('000)	Total ('000)
Long day care	\$419,866	\$398,172	\$818,038
Family day care and In-home care	\$96,353	\$36,428	\$132,781
Occasional care	\$1,655	\$1,827	\$3,482
Outside school hours care	\$46,777	\$46,112	\$92,889
Total¹	\$564,678	\$482,547	\$1,047,225

¹ Total for the September quarter 2011 includes a very small number of services for which other details are unknown.

Source: DEEWR administrative data – based on estimated entitlements.

Out-of-pocket costs to parents have fallen from 2004 to 2011 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 were 13.2 per cent of their disposable income. In 2011, this proportion had declined to just 7.6 per cent. For families with a gross annual income of \$115,000 the proportion of their disposable income spent on child care declined from 11.4 per cent in 2004 to 7.7 per cent in 2011 (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 2011

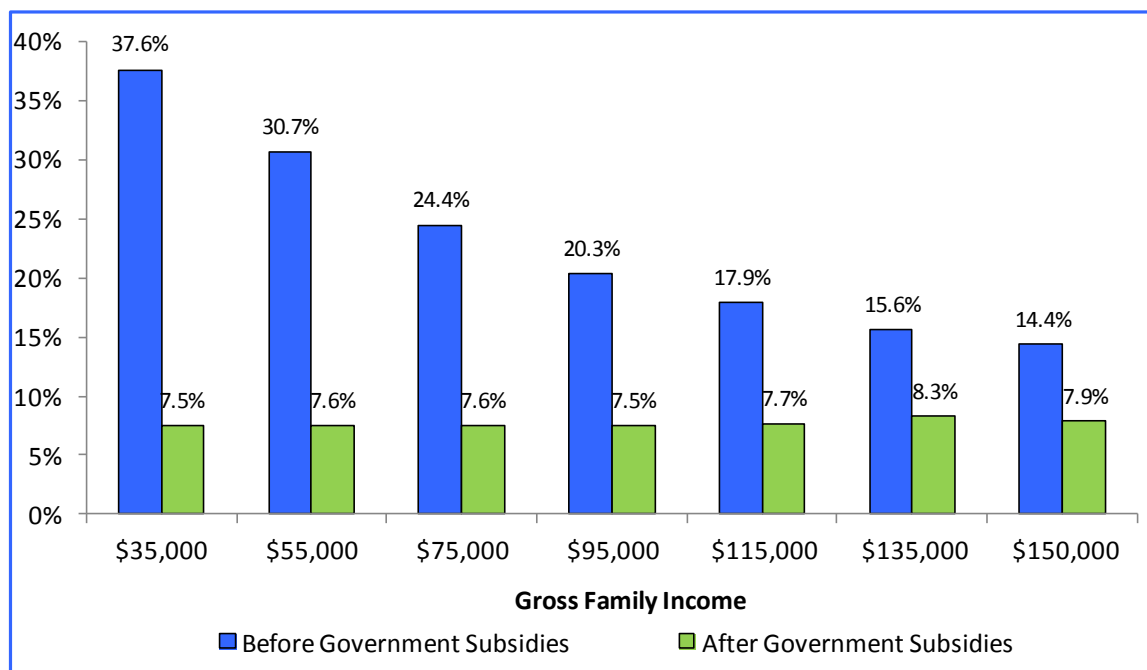


Source: DEEWR administrative data.

Note: This graph depicts families with one child, using 50 hours of care per week, paying the average cost for long day care in September 2004, and the September quarter 2011. Data for gross family income of \$150,000 n/a for 2004.

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 37.6 per cent of weekly disposable income for families earning \$35,000 per year, to 14.4 per cent for families earning \$150,000 per year. After subsidies, out-of-pocket costs were significantly reduced to around 8.0 per cent of 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, September quarter 2011



Source: DEEWR administrative data.

State by state

In the September quarter 2011, the largest proportion of children attending approved child care services was in New South Wales (32.1 per cent), followed by Queensland (24.9 per cent) and Victoria (23.1 per cent). In each of the states and territories, the largest number of children were in long day care (Table 7).

Table 7: Number of children using child care by service type and state or territory, September quarter 2011

Service type	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Australia
Long day care	200,550	133,500	158,040	38,600	49,860	11,900	4,600	11,640	607,510
Family day care and In-home care	38,410	30,460	24,250	7,960	7,340	5,370	650	1,280	115,660
Occasional care	2,890	2,330	970	150	940	150	0	220	7,660
Outside school hours care	86,680	69,080	71,050	31,350	17,350	6,820	3,260	7,400	292,810
Total approved care¹	319,040	229,410	246,700	75,060	72,620	22,930	8,360	20,140	992,520

¹ 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. Total for the September quarter 2011 includes a very small number of children for which other details are unknown.

Source: DEEWR administrative data.

In the September quarter 2011, 233,170 families had children attending approved child care in New South Wales, followed by Queensland (171,230) and Victoria (159,880). Across Australia, more than two-thirds (69.5 per cent) 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, September quarter 2011

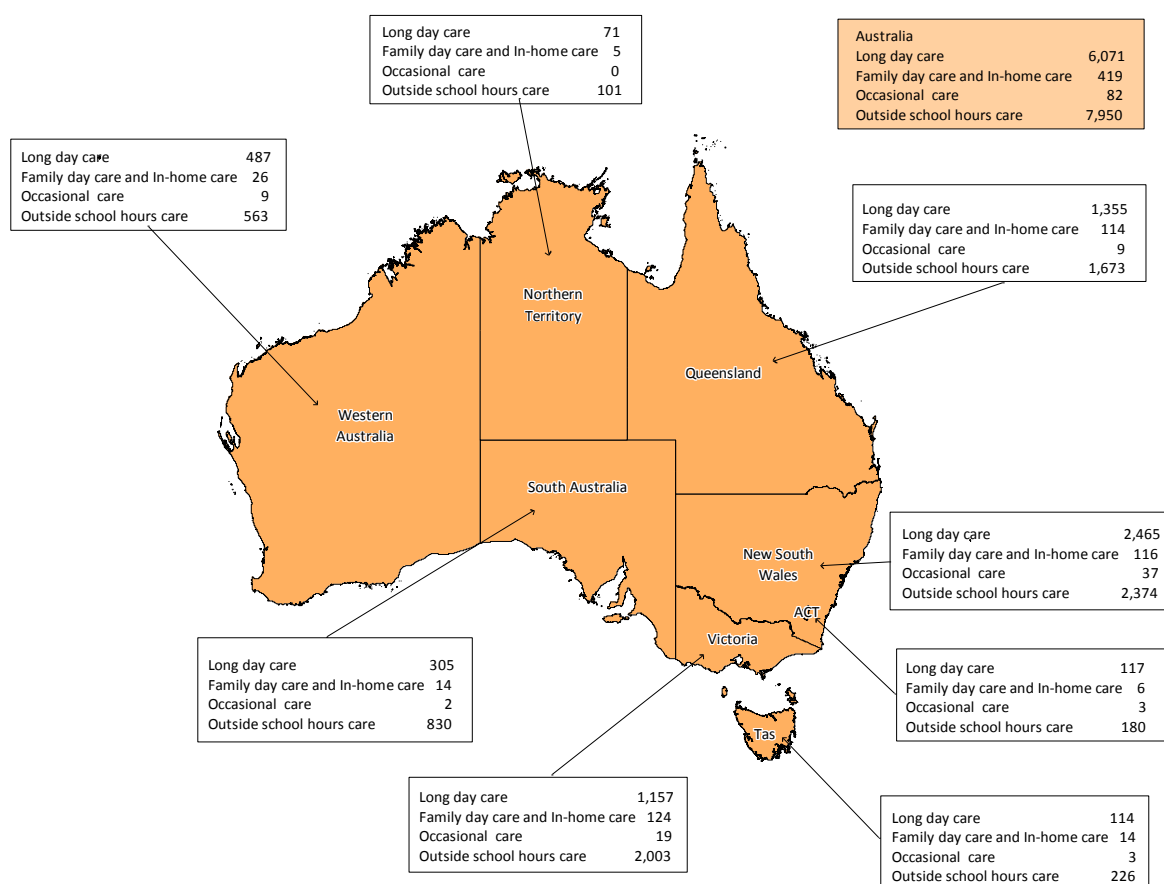
Service type	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Australia
Long day care	166,090	107,490	122,540	31,280	40,030	9,590	3,840	9,510	489,410
Family day care and In-home care	27,780	18,160	16,480	5,010	5,240	3,710	520	980	77,830
Occasional care	2,380	1,920	780	130	780	120	0	170	6,280
Outside school hours care	62,900	50,260	50,120	21,850	12,450	4,860	2,390	5,490	210,190
Total approved care¹	233,170	159,880	171,230	51,340	53,730	15,950	5,880	14,320	704,030

¹ 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. Total for the September quarter 2011 includes a very small number of families for which other details are unknown.

Source: DEEWR administrative data.

A mix of approved child care services are located in all states and territories. In the September quarter 2011, more than one third of services were located in New South Wales (34.4 per cent), with 22.7 per cent in Victoria and 21.7 per cent in Queensland.

Figure 3: Number of approved services by service type and state or territory, September quarter 2011



Source: DEEWR administrative data.

Technical Notes

General counting rules

Use of child care services is counted for each individual child using approved child care services. An instance of child care usage is defined as at least one child care attendance per child care service for the quarter irrespective of duration or frequency. For example, a single hour at an occasional care centre or 40 hours per week throughout the quarter at a long day care centre, are both counted as an instance of child care usage.

Children and families are recorded for each of the service types that they use during the quarter. Children and families using more than one service type during the quarter or financial year are counted only once within each applicable service type category and only once within the 'Total' category for the relevant time period. Note that as children and families may use more than one service type in any particular time frame the sum of the component parts may not equal the 'Total' category.

Changes in service type numbers need to be understood in the context of counting rules. Prior to the implementation of the Child Care Management System (CCMS) all services with an 'active' status were included regardless of attendance. This resulted in a small number of services being included in the data that did not actually have any children in attendance. Under CCMS a service is counted as 'active' only if it had at least one child attending at some time during the quarter, thus aligning the counting rules for children, families and services.

Data sources

Data included in this report comes from the following sources:

- From the September quarter 2011 the majority of data is extracted from the Child Care Data and Reporting System (CCDARS). CCDARS is a DEEWR based data storage system for data collected from approved child care services via the Child Care Management System.
- For previous quarters, the majority of data is extracted from the Centrelink Mainframe. Supplementary data is sourced from the FaHCSIA Online Funding Management System (FOFMS).
- Vacancy information is required to be reported regularly by all approved child care services to Department of Education, Employment and Workplace Relations. The information contained in this report is released each quarter and relates to specific reference weeks. A reference week is used to represent the quarter and reduce errors due to potential inconsistencies in reporting.

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 CCB. 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. Families who satisfy the work/training/study test requirements may be entitled to receive CCR for 50% of all out-of-pocket costs up to an annual cap.

Family day care: A family day care scheme is a network of experienced caregivers who provide care and development activities for other peoples 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: This is a care type 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 school children during the school holidays.

Region: Regions of Australia are classified according to the Australian Bureau of Statistics, Accessibility/Remoteness Index of Australia (ARIA) 2006. For more information on ARIA, please refer to ABS publications *Australian Standard Geographical Classification (ASGC) 2006 (cat. no. 1216.0)* and *Information Paper: ABS Views on Remoteness 2001 (cat no. 1244.0)*.

Service: Child care services are approved by the Australian Government to receive CCB on behalf of families. Most long day care, family day care, before and after 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. The total number of services refers to the number of services that were active during the September quarter 2011, that is, they had at least one record of child care attendance in the quarter.

© Commonwealth of Australia, 2012

This work has been produced by the Department of Education, Employment and Workplace Relations (DEEWR) on behalf of the Australian Government. Apart from any use permitted under the *Copyright Act 1968*, no part of this publication may be reproduced by any process without written permission from DEEWR.

Cataloguing title: Child Care Update, September quarter 2011. ISBN: 978-0-642-78431-5

Comments and suggestions regarding this publication are welcomed and should be forwarded to DEEWR.

Published by DEEWR

ABN 87 007 967 311

Level 3, 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