



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 2011. 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 2011 there were 963,870 Australian children in approved child care, an increase of 10.8 per cent over the year.
- Around one in four children (26.1 per cent) aged 0 to 12 years attended child care in the June quarter 2011.
- During the June quarter 2011, the total estimated expenditure on Child Care Benefit and Child Care Rebate was \$955 million.
- The Australian Government has made significant investment in child care in regional areas with 27.5 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 2011, a family earning \$75,000 per year would have used 23.7 per cent of their disposable income on child care without the subsidies, compared with just 7.5 per cent after the subsidies.
 - Since 2004, out-of-pocket costs for families earning \$75,000 have reduced from 13.0 per cent of their disposable income to just 7.5 per cent in 2011.



February 2012

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 2011, 963,870 children used approved child care in Australia, up by 10.8 per cent over the year. This represents 26.1 per cent of the 3,695,270 children aged 0–12 years in Australia.

Children attended various services providing approved child care, including long day care (60.7 per cent), outside school hours care (29.9 per cent), family day care and in-home care (11.7 per cent), and occasional care (0.8 per cent).

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

| Service type | June 10 | Sept. 10 | Dec. 10 | Mar. 11 | June 11 |
|--|----------------|----------------|----------------|----------------|----------------|
| Long day care | 528,140 | 556,650 | 568,080 | 593,240 | 585,000 |
| Family day care and In-home care | 105,380 | 108,090 | 108,200 | 114,110 | 112,720 |
| Occasional care | 6,910 | 7,460 | 7,320 | 7,120 | 7,580 |
| Outside school hours care | 256,160 | 267,530 | 255,850 | 280,200 | 288,090 |
| Total¹ | 869,770 | 910,810 | 911,990 | 950,760 | 963,870 |
| Per cent of Australian population² | 23.7% | 24.9% | 24.9% | 25.9% | 26.1% |

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 includes children with unknown age and children aged 12 years or over.

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*, and ABS Cat. no. 3101.0 *Australian Demographic Statistics, June 2011*.

While most children who used child care were located in major cities, over one in four (26.8 per cent) children used child care in regional areas. Child care provided in regional areas is comprised of inner regional (19.0 per cent), outer regional (7.6 per cent), and remote and very remote Australia (1.0 per cent).

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

| Service type | Major Cities of Australia | Regional and Remote Australia |
|----------------------------------|---------------------------|-------------------------------|
| Long day care | 426,160 | 160,770 |
| Family day care and In-home care | 65,820 | 47,290 |
| Occasional care | 4,700 | 2,890 |
| Outside school hours care | 226,180 | 62,510 |
| Total¹ | 705,390 | 263,250 |

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 includes children with unknown age and children aged 12 years or over.

Source: DEEWR administrative data

During the June quarter 2011, for all types of child care, the average time that a child spent in approved child care was 23.4 hours per week. This compares with children who attended long day care who spent an average of 26.9 hours per week.

Table 3: Average weekly hours in child care, June quarter 2010 to June quarter 2011

| Service type | June 10 | Sept. 10 | Dec. 10 | Mar. 11 | June 11 |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|
| Long day care | 25.7 | 26.0 | 26.0 | 26.0 | 26.9 |
| Family day care and In-home care | 19.7 | 19.9 | 20.1 | 20.7 | 22.1 |
| Occasional care | 9.9 | 10.0 | 10.1 | 10.2 | 11.7 |
| Outside school hours care | 12.6 | 13.9 | 12.5 | 13.6 | 11.2 |
| Total¹ | 21.6 | 22.2 | 22.0 | 22.2 | 23.4 |

¹Source: DEEWR administrative data.

Families

During the June quarter 2011, there were 691,060 families using some form of approved child care for their children, an increase of 10.0 per cent over the year. This increase occurred for all service types.

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

| Service type | June 10 | Sept. 10 | Dec. 10 | Mar. 11 | June 11 |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|
| Long day care | 430,650 | 449,760 | 456,950 | 473,610 | 476,050 |
| Family day care and In-home care | 72,470 | 74,110 | 73,820 | 76,990 | 76,690 |
| Occasional care | 5,710 | 6,110 | 5,980 | 5,870 | 6,260 |
| Outside school hours care | 183,800 | 191,970 | 184,330 | 199,850 | 207,310 |
| Total¹ | 627,980 | 652,120 | 653,310 | 676,270 | 691,060 |

¹As 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 2011, there were 14,441 approved child care services operating in Australia, an increase of 3.9 per cent (542 services) over the year.

In the June quarter 2011, outside school hours care services accounted for 54.6 per cent of all services, while long day care services accounted for 41.9 per cent of all services.

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

| Service type | June 10 | Sept. 10 | Dec. 10 | Mar. 11 | June 11 |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|
| Long day care | 5,930 | 6,027 | 5,991 | 6,086 | 6,053 |
| Family day care and In-home care | 389 | 395 | 400 | 401 | 413 |
| Occasional care | 85 | 86 | 86 | 85 | 84 |
| Outside school hours care | 7,495 | 7,567 | 7,330 | 7,718 | 7,891 |
| Total | 13,899 | 14,075 | 13,807 | 14,290 | 14,441 |

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 up to an annual cap.

During the June quarter 2011, the total estimated expenditure on Child Care Benefit and Child Care Rebate was \$955 million. Approximately three quarters (78.2 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 2011

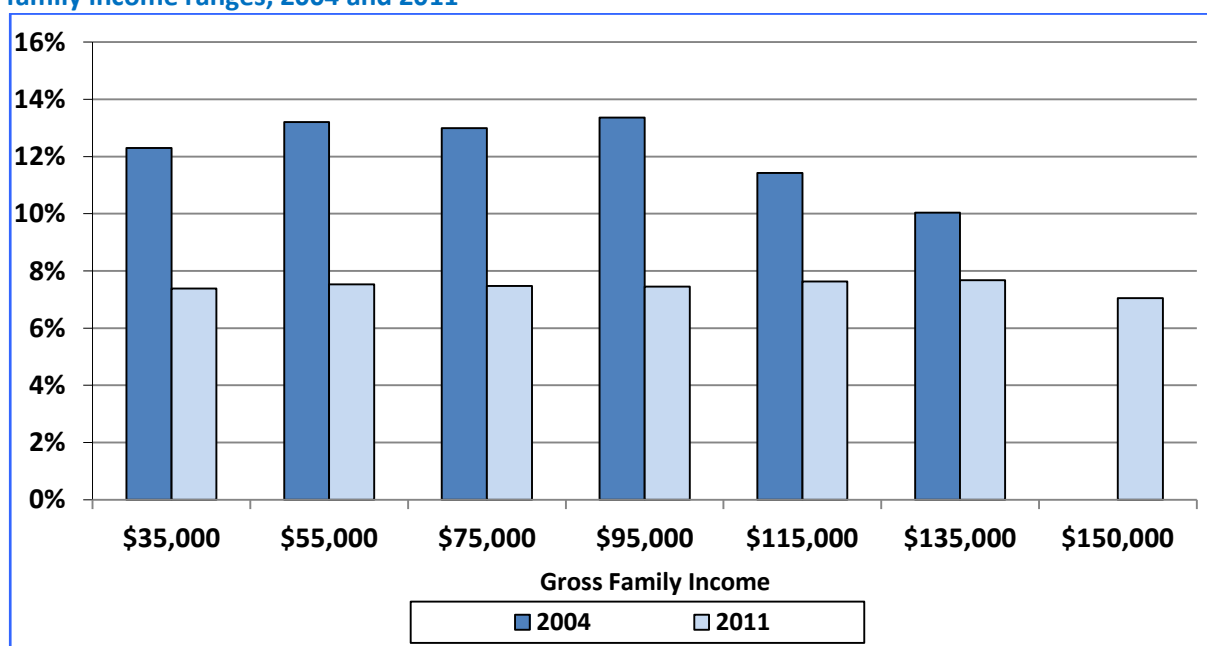
| Service type | Child Care Benefit ('000) | Child Care Rebate ('000) | Total ('000) |
|----------------------------------|---------------------------|--------------------------|------------------|
| Long day care | \$379,314 | \$367,619 | \$746,933 |
| Family day care and In-home care | \$87,700 | \$34,336 | \$122,035 |
| Occasional care | \$1,477 | \$1,774 | \$3,251 |
| Outside school hours care | \$39,332 | \$43,447 | \$82,779 |
| Total¹ | \$507,823 | \$447,175 | \$954,999 |

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.

Source: DEEWR administrative data.

Out-of-pocket costs to parents have fallen from 2004 to 2011 (latest data available March quarter 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 7.5 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 just 7.6 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

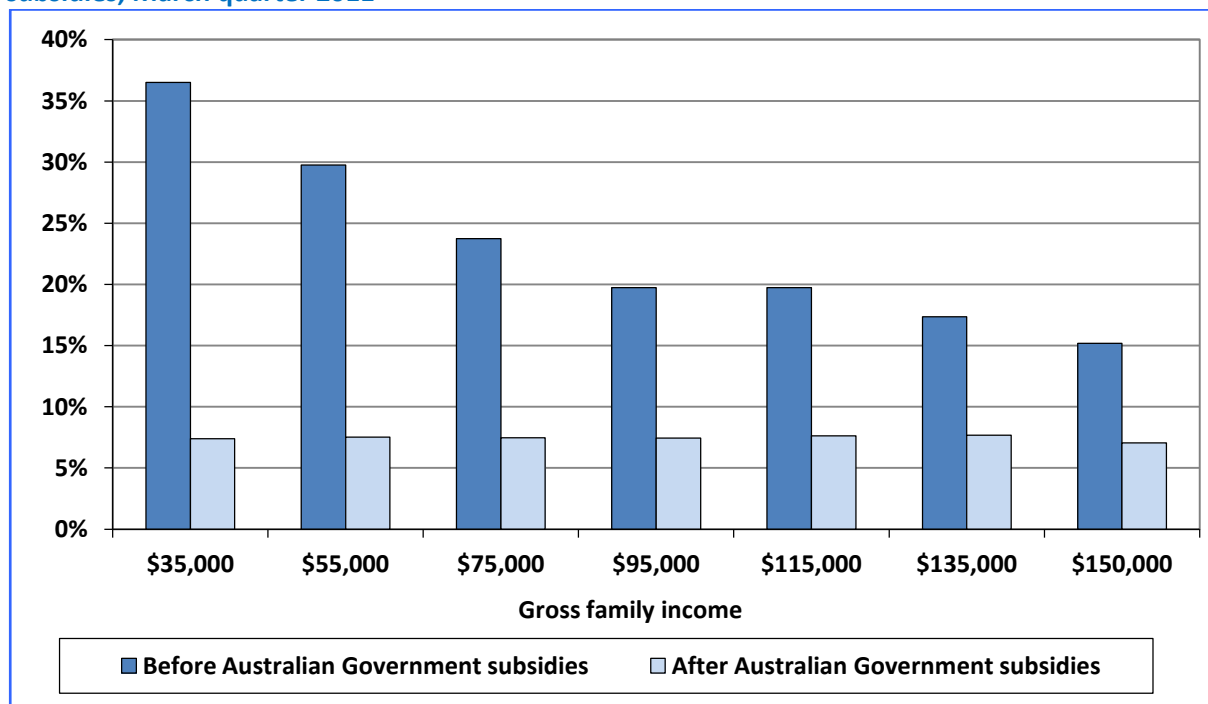


Source: DEEWR administrative data.

Note: This graph depicts families with one child, using 50 hours of care per week, paying the average cost for long day care in the week ending 28 March 2004, and the March 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 based on the latest data available from the March quarter 2011) for families with one child using long day care for 50 hours of care per week. Before subsidies, out-of-pocket costs varied from 36.5 per cent of weekly disposable income for families earning up to \$35,000 per year, to 17.4 per cent for families earning \$135,000 per year. After subsidies, out-of-pocket costs were significantly reduced across all income ranges.

Figure 2: Out-of-pocket costs for one child in long day care before and after Australian Government subsidies, March quarter 2011



Source: DEEWR administrative data.

Vacancies

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

Vacancy information for individual services is also available at www.mychild.gov.au.

State by state

In the June quarter 2011, the largest proportion of children attending approved child care services was in New South Wales (32.1 per cent), followed by Queensland (24.8 per cent) and Victoria (23.1 per cent). In each of the states and territories, the largest numbers of children were in long day care (Table 7).

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

| Service type | NSW | Vic. | Qld | SA | WA | Tas. | NT | ACT | Australia |
|--|----------------|----------------|----------------|---------------|---------------|---------------|--------------|---------------|----------------|
| Long day care | 193,520 | 128,070 | 151,280 | 38,320 | 47,550 | 11,620 | 4,420 | 11,360 | 585,000 |
| Family day care and In-home care | 37,410 | 29,040 | 23,820 | 8,020 | 7,200 | 5,300 | 670 | 1,320 | 112,720 |
| Occasional care | 2,810 | 2,350 | 980 | 150 | 950 | 140 | 0 | 220 | 7,580 |
| Outside school hours care | 84,120 | 68,660 | 70,390 | 30,580 | 16,750 | 7,060 | 3,350 | 7,360 | 288,090 |
| Total approved care¹ | 308,940 | 222,440 | 239,450 | 74,220 | 69,580 | 22,760 | 8,280 | 19,880 | 963,870 |

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.

Source: DEEWR administrative data.

In the June quarter 2011, 228,770 families had children attending approved child care in New South Wales, followed by Queensland (167,850) and Victoria (156,600). Across Australia, more than two-thirds (68.9 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, June quarter 2011

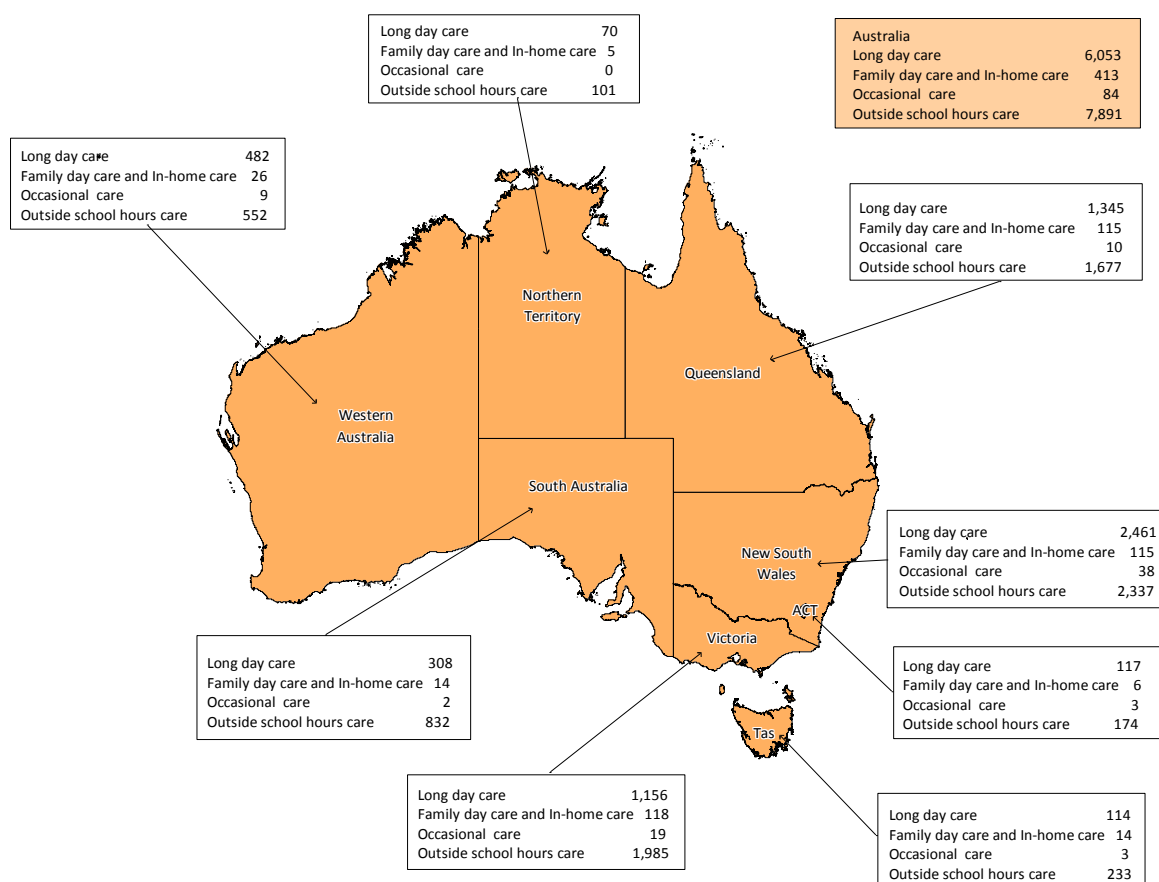
| Service type | NSW | Vic. | Qld | SA | WA | Tas. | NT | ACT | Australia |
|--|----------------|----------------|----------------|---------------|---------------|---------------|--------------|---------------|----------------|
| Long day care | 162,090 | 104,070 | 118,620 | 31,180 | 38,550 | 9,360 | 3,720 | 9,410 | 476,050 |
| Family day care and In-home care | 27,380 | 17,630 | 16,300 | 5,040 | 5,200 | 3,650 | 530 | 1,010 | 76,690 |
| Occasional care | 2,350 | 1,930 | 800 | 120 | 790 | 110 | 0 | 170 | 6,260 |
| Outside school hours care | 61,220 | 50,040 | 49,680 | 21,480 | 12,080 | 5,030 | 2,460 | 5,450 | 207,310 |
| Total approved care¹ | 228,770 | 156,600 | 167,850 | 51,170 | 52,100 | 15,840 | 5,850 | 14,300 | 691,060 |

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.

Source: DEEWR administrative data.

A mix of approved child care services are located in all states and territories. In the June quarter 2011, more than one third of services were located in New South Wales (34.3 per cent), with 22.7 per cent in Victoria and 21.8 per cent in Queensland.

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

- The majority of data included in this report is extracted from the Centrelink Mainframe. Supplementary data is sourced from the FaHCSIA Online Funding Management System (FOFMS).

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 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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