



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 December 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 December quarter 2010 there were 911,990 Australian children in approved child care, up 4 per cent on the December quarter 2009.
- Almost one in four children aged 0 to 12 years attended child care in the December quarter 2010.
- During the December quarter 2010, the total estimated expenditure on Child Care Benefit and Child Care Rebate was \$854.9 million.
- The Australian Government has made a significant investment in child care in regional areas with approximately 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 December 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.



August 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 December quarter 2010, 911,990 children used approved child care in Australia. This represents 24.9 per cent of the 3,663,930 children aged 0–12 years in Australia. Since the December quarter 2009, there has been an increase of 4.3 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 December quarter 2010, 62.3 per cent of all children using approved child care services attended long day care services, 28.1 per cent outside school hours care and 11.9 per cent family day care services.

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

Service type	Dec. 09	Mar.10	June 10	Sept. 10	Dec. 10
Long day care	543,840	545,190	528,140	556,650	568,080
Family day care and In-home care	106,230	108,900	105,380	108,090	108,200
Occasional care	7,950	6,830	6,910	7,460	7,320
Outside school hours care	242,600	258,230	256,160	267,530	255,850
Total¹	874,320	879,050	869,770	910,810	911,990
Per cent of Australian population²	24.2%	24.0%	23.7%	24.9%	24.9%

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

While most children used child care in major cities, a substantial number (27.9 per cent) of children used child care in regional areas. Child care provided in regional areas is comprised of inner regional (19.4 per cent), outer regional (7.6 per cent), and remote and very remote Australia (0.9 per cent).

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

Service type	Major Cities of Australia	Regional and Remote Australia
Long day care	411,650	158,210
Family day care and In-home care	61,670	46,940
Occasional care	4,420	2,910
Outside school hours care	200,430	55,860
Total¹	662,200	254,550

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 December quarter 2010, for all types of child care, the average time that a child spent in approved child care was 22.0 hours per week, which is consistent with previous quarters. This compares with children in long day care who spent an average of 26.0 hours per week, which is also consistent with previous quarters.

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

Service type	Dec. 09	Mar. 09	June 10	Sept. 10	Dec. 10
Long day care	25.7	25.7	25.7	26.0	26.0
Family day care and In-home care	19.6	19.9	19.7	19.9	20.1
Occasional care	9.9	10.1	9.9	10.0	10.1
Outside school hours care	12.5	13.9	12.6	13.9	12.5
Total¹	21.7	21.9	21.6	22.2	22.0

¹Source: DEEWR administrative data.

Families

During the December quarter 2010, there were 653,310 families using some form of approved child care for their children. This is an increase (4.0 per cent) in the number of families using approved child care services since the December quarter 2009. This increase was greatest for outside school hours care.

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

Service type	Dec. 09	Mar. 10	June 10	Sept. 10	Dec. 10
Long day care	437,350	436,740	430,650	449,760	456,950
Family day care and In-home care	72,800	74,200	72,470	74,110	73,820
Occasional care	6,470	5,580	5,710	6,110	5,980
Outside school hours care	174,320	183,930	183,800	191,970	184,330
Total¹	627,980	629,370	627,980	652,120	653,310

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.

Services

During the December quarter 2010, there were 13,807 approved child care services operating in Australia, an increase of 390 services since December quarter 2009.

In the December quarter 2010, outside school hours care services accounted for 53.1 per cent of all services, while long day care services accounted for 43.4 per cent of all services.

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

Service type	Dec. 09	Mar. 10	June 10	Sept. 10	Dec. 10
Long day care	5,800	5,886	5,930	6,027	5,991
Family day care and In-home care	386	389	389	395	400
Occasional care	91	86	85	86	86
Outside school hours care	7,140	7,442	7,495	7,567	7,330
Total	13,417	13,803	13,899	14,075	13,807

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 December quarter 2010, the total estimated expenditure on Child Care Benefit and Child Care Rebate was \$854.9 million. Approximately three quarters (78.9 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, December quarter 2010

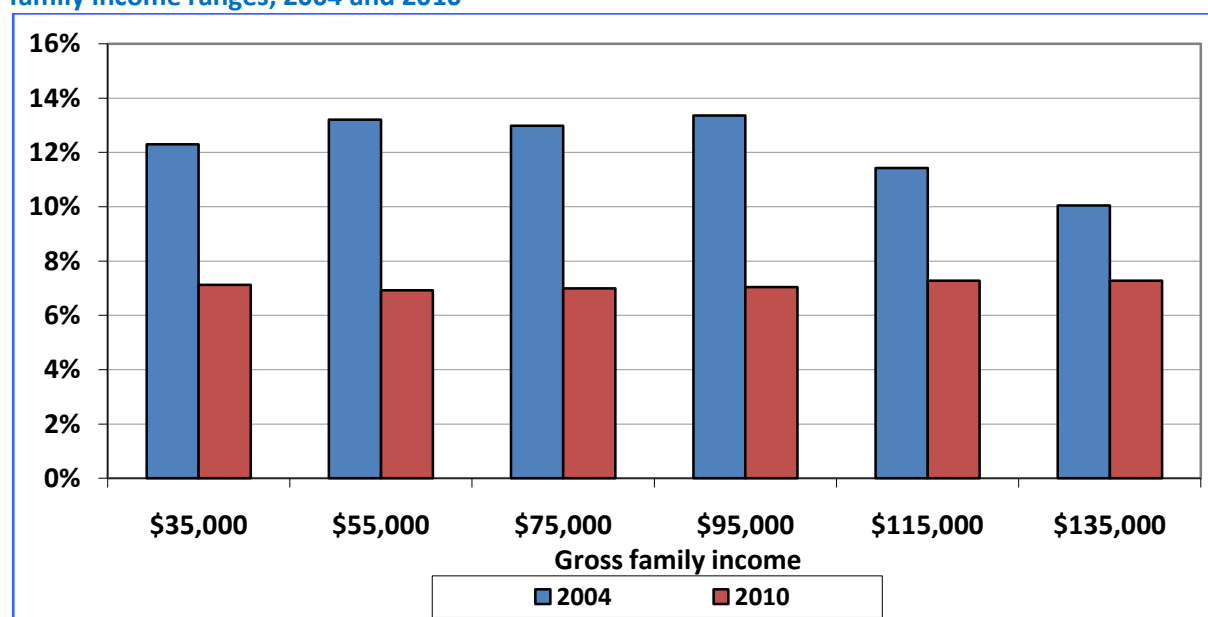
Service type	Child Care Benefit ('000)	Child Care Rebate ('000)	Total ('000)
Long day care	\$366,603	\$307,874	\$674,477
Family day care and In-home care	\$79,478	\$29,738	\$109,217
Occasional care	\$1,451	\$1,431	\$2,882
Outside school hours care	\$35,003	\$33,318	\$68,321
Total¹	\$482,536	\$372,360	\$854,896

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 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 were 13.2 per cent of their disposable income. In 2010, this proportion had declined to 6.9 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 7.3 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

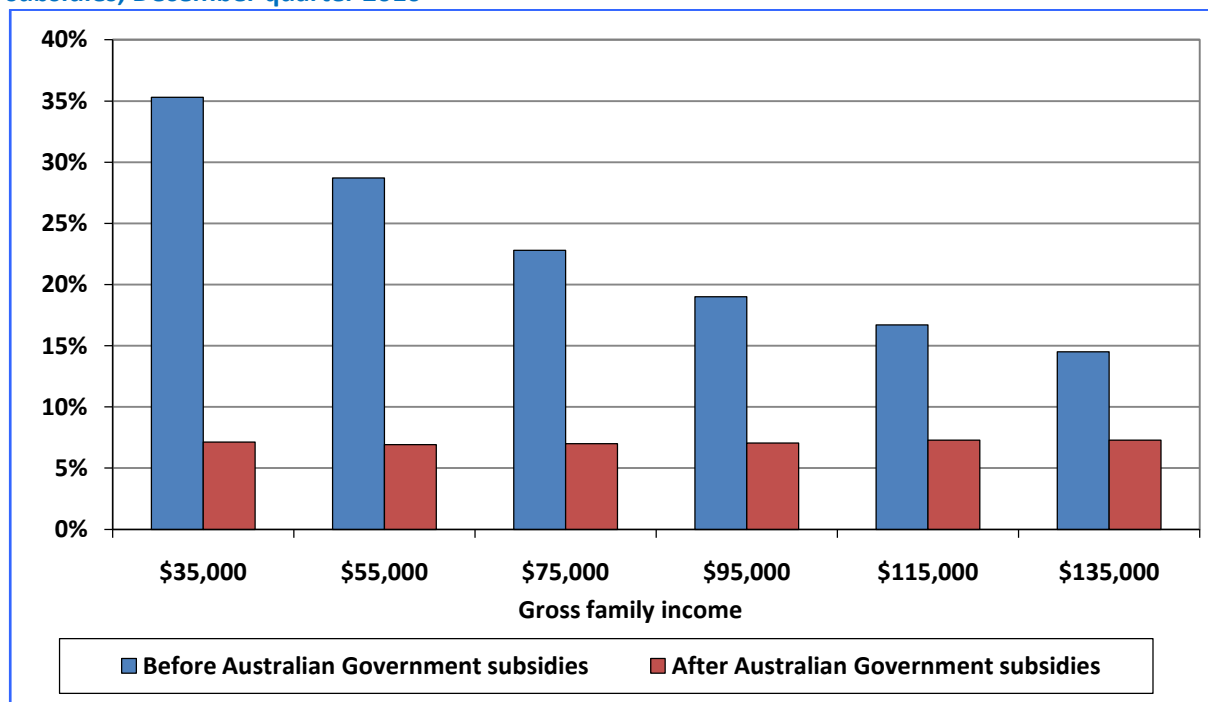


Source: DEEWR administrative data.

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 December 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 35.3 per cent of weekly disposable income for families earning up to \$35,000 per year, to 14.5 per cent for families earning \$135,000 per year. After subsidies, out-of-pocket costs were reduced to 7.1 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, December quarter 2010



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 December quarter 2010, the largest proportion of children attending approved child care services was in New South Wales (32.1 per cent), followed by Queensland (25.5 per cent) and Victoria (22.3 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, December quarter 2010

Service type	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Australia
Long day care	188,320	122,530	151,210	35,080	46,140	11,070	4,270	10,210	568,080
Family day care and In-home care	36,940	25,910	23,170	8,130	6,930	5,250	610	1,310	108,200
Occasional care	2,710	2,210	1,010	120	880	190	0	210	7,320
Outside school hours care	73,080	57,320	63,860	31,030	15,550	6,020	2,760	6,370	255,850
Total approved care¹	292,500	203,140	232,630	71,450	66,860	21,330	7,470	17,790	911,990

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 December quarter 2010, more than 216,000 families had children attending approved child care in New South Wales, followed by Queensland (more than 162,000 families) and Victoria (more than 144,000 families). Across Australia, more than two-thirds (69.9 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, December quarter 2010

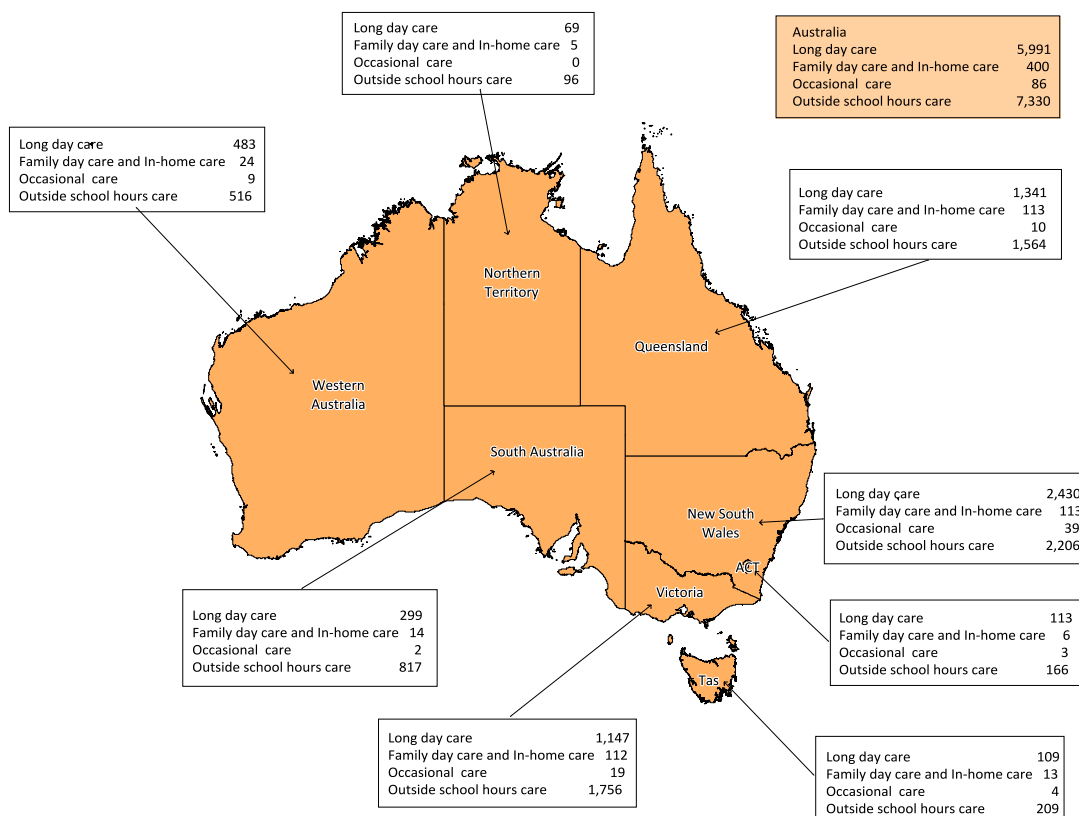
Service type	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Australia
Long day care	155,750	98,770	116,910	28,440	36,800	8,920	3,550	8,430	456,950
Family day care and In-home care	26,640	16,430	15,740	4,990	4,970	3,580	490	1,020	73,820
Occasional care	2,250	1,790	800	100	720	150	0	170	5,980
Outside school hours care	53,410	41,950	45,260	21,470	11,180	4,330	2,050	4,770	184,330
Total approved care¹	216,280	144,470	162,100	48,700	49,540	14,980	5,350	12,890	653,310

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 December quarter 2010, more than one third of services were located in New South Wales (34.7 per cent), with 22.0 per cent in Victoria and 21.9 per cent in Queensland.

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



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. 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.

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 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: 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.

© Commonwealth of Australia, 2011

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, December quarter 2010. ISBN: 978-0-642-78062-1

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

Published by DEEWR

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