



Australian Government

Department of Education, Employment and Workplace Relations

Office of
Early Childhood Education
& Child Care



Child Care Update

September quarter 2012

This publication provides information on children in child care across Australia for the September quarter 2012.

Key Findings for the September quarter 2012:

- For the first time more than one million children (1,030,970) attended approved child care during the quarter, an increase of 3.9 per cent since the September quarter 2011.
- 726,130 families had at least one child in approved child care, an increase of 3.1 per cent since the September quarter 2011.
- A record number of approved child care services (15,147) operated in Australia, an increase of 4.3 per cent since the September quarter 2011.
- The total estimated Child Care Benefit and Child Care Rebate entitlement was \$1,175.1 million, up 12.2 per cent since the September quarter 2011.



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 2012, 1,030,970 children used approved child care in Australia, up by 3.9 per cent since the September quarter 2011. This represents 28.7 per cent of the 3,591,780 children aged 0–12 years in Australia.

Children attended various services providing approved child care, including long day care (59.7 per cent), outside school hours care (30.6 per cent), family day care and in-home care (12.1 per cent), and occasional care (0.7 per cent).

Table 1: Number of children using child care, September quarter 2011 to September quarter 2012

Service type	Sept. 11	Dec. 11	Mar. 12	June 12	Sept. 12
Long day care	607,510	611,440	598,450	587,100	615,630
Family day care and In-home care	115,660	115,410	117,790	118,700	125,230
Occasional care	7,660	7,300	6,130	6,510	6,950
Outside school hours care	292,810	282,550	299,420	304,120	315,220
Total¹	992,520	987,590	976,230	986,280	1,030,970
Per cent of Australian population²	27.6%	27.5%	27.2%	27.5%	28.7%

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. Totals include a very small number of children for whom 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*.

In the September quarter 2012, the largest proportion of children attending approved child care services was in New South Wales (32.2 per cent), followed by Queensland (24.5 per cent) and Victoria (23.5 per cent). In each of the states and territories, the largest number of children were in long day care (Table 2).

Table 2: Number of children using child care by service type and state or territory, September quarter 2012

Service type	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Australia
Long day care	204,970	136,410	158,420	38,590	50,400	11,230	4,830	11,850	615,630
Family day care and In-home care	39,700	37,860	24,860	7,950	8,480	5,210	460	1,150	125,230
Occasional care	2,660	2,110	810	130	890	130	0	220	6,950
Outside school hours care	94,340	72,460	75,760	33,390	21,140	6,970	3,300	8,080	315,220
Total¹	332,150	242,500	252,510	77,020	77,370	22,180	8,450	20,910	1,030,970

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 includes a very small number of children for whom other details are unknown.

Source: DEEWR administrative data.

While most children who used child care, used services located in major cities, one in four (25.4 per cent) children used child care services located in regional and remote areas.

Table 3: Number of children using child care by region, September quarter 2012

Service type	Major Cities of Australia	Regional and Remote Australia
Long day care	456,970	160,460
Family day care and In-home care	81,930	43,780
Occasional care	4,340	2,610
Outside school hours care	251,280	64,620
Total¹	774,000	261,760

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 a very small number of children for whom other details are unknown.
Source: DEEWR administrative data.

During the September quarter 2012, for all types of child care, the average time that a child spent in approved child care was 23.8 hours per week. This compares with children who used long day care who attended for an average of 27.5 hours per week.

Table 4: Average weekly hours in child care, September quarter 2011 to September quarter 2012

Service type	Sept. 11	Dec. 11	Mar. 12	June 12	Sept. 12
Long day care	26.9	26.9	27.4	27.2	27.5
Family day care and In-home care	21.7	22.4	23.6	23.6	24.5
Occasional care	11.6	11.6	12.4	12.1	12.2
Outside school hours care	11.7	11.1	12.1	10.7	11.5
Total¹	23.3	23.4	23.8	23.2	23.8

¹ Totals include a very small number of children for whom other details are unknown.
Source: DEEWR administrative data.

Families

During the September quarter 2012, there were 726,130 families using some form of approved child care for their children, an increase of 3.1 per cent since the September quarter 2011.

Table 5: Number of families using child care, September quarter 2011 to September quarter 2012

Service type	Sept. 11	Dec. 11	Mar. 12	June 12	Sept. 12
Long day care	489,410	490,910	479,530	479,830	499,470
Family day care and In-home care	77,830	76,990	77,420	77,940	80,890
Occasional care	6,280	5,930	5,030	5,370	5,710
Outside school hours care	210,190	203,390	213,330	217,720	225,780
Total¹	704,030	700,110	689,790	700,600	726,130

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. Totals include a very small number of families for whom other details are unknown.
Source: DEEWR administrative data.

In the September quarter 2012, 240,960 families had children attending approved child care in New South Wales, followed by Queensland (174,510) and Victoria (166,880). Across Australia, more than two-thirds (68.8 per cent) of all families had children in long day care and around one-third of families had children in outside school hours care (31.1 per cent)(Table 6).

Table 6: Number of families using child care by service type and state or territory, September quarter 2012

Service type	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Australia
Long day care	170,180	110,840	123,750	31,620	41,030	9,150	4,040	9,750	499,470
Family day care and In-home care	28,130	21,020	16,490	5,030	5,600	3,610	370	920	80,890
Occasional care	2,200	1,740	660	100	730	100	0	190	5,710
Outside school hours care	68,350	52,570	53,360	23,160	15,140	4,950	2,420	5,970	225,780
Total¹	240,960	166,880	174,510	52,620	56,590	15,460	6,020	14,850	726,130

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 includes a very small number of families for whom other details are unknown.

Source: DEEWR administrative data.

Services

During the September quarter 2012, 15,147 approved child care services operating in Australia, an increase of 4.3 per cent (624 services) over the year.

In the September quarter 2012, outside school hours care services accounted for 55.5 per cent of all services and long day care services accounted for 40.9 per cent of all services.

Table 7: Number of child care services by service type, September quarter 2011 to September quarter 2012

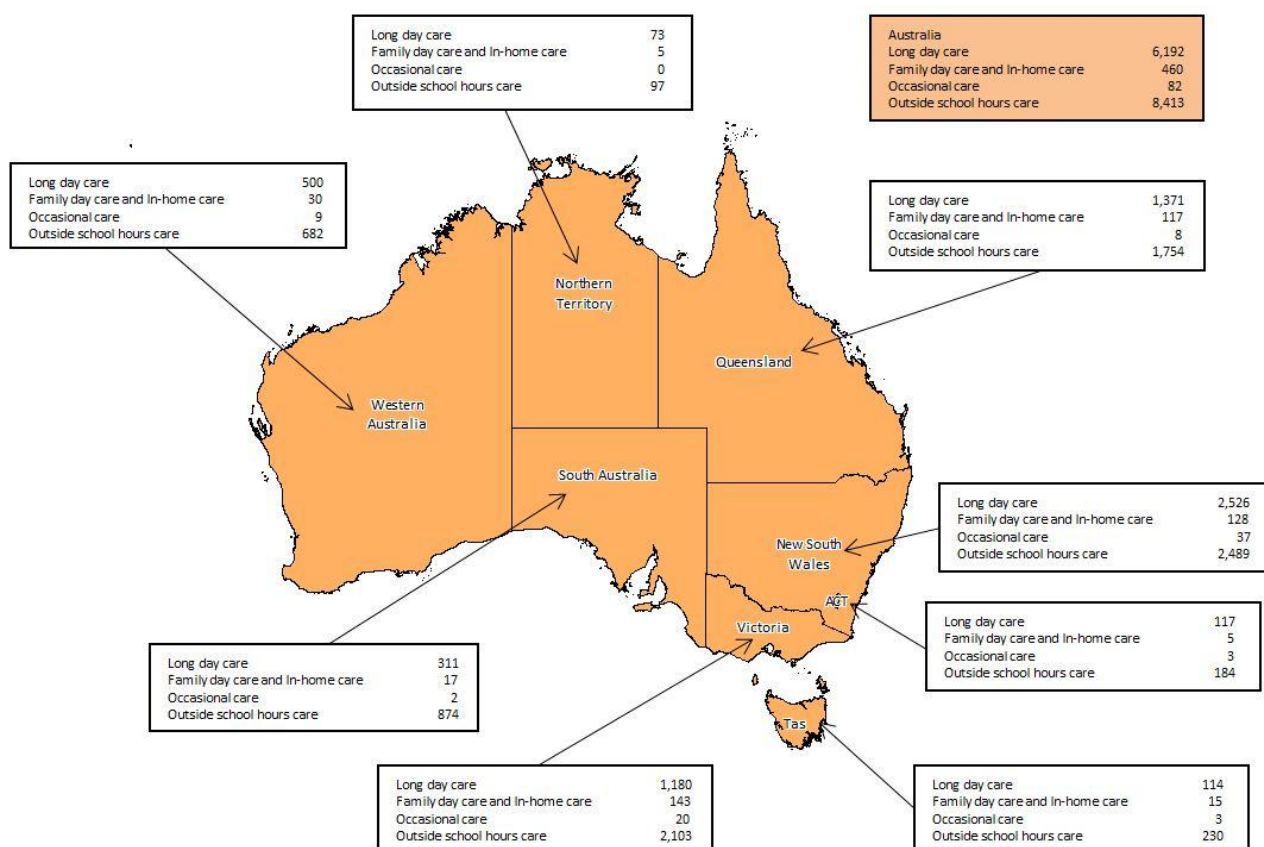
Service type	Sept. 11	Dec. 11	Mar. 12	June 12	Sept. 12
Long day care	6,071	6,123	6,133	6,156	6,192
Family day care and In-home care	419	424	434	441	460
Occasional care	82	82	80	80	82
Outside school hours care	7,950	7,985	8,203	8,342	8,413
Total¹	14,523	14,614	14,851	15,020	15,147

¹ Totals include a very small number of services 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 2012, more than one third of services were located in New South Wales (34.2 per cent), with 22.8 per cent in Victoria and 21.5 per cent in Queensland.

Figure 1: Number of approved services by service type and state or territory, September quarter 2012



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 2012, the total estimated expenditure on Child Care Benefit and Child Care Rebate was \$1,175.1 million. Around three quarters (76.1 per cent) of this was paid on behalf of families using long day care services (Table 8).

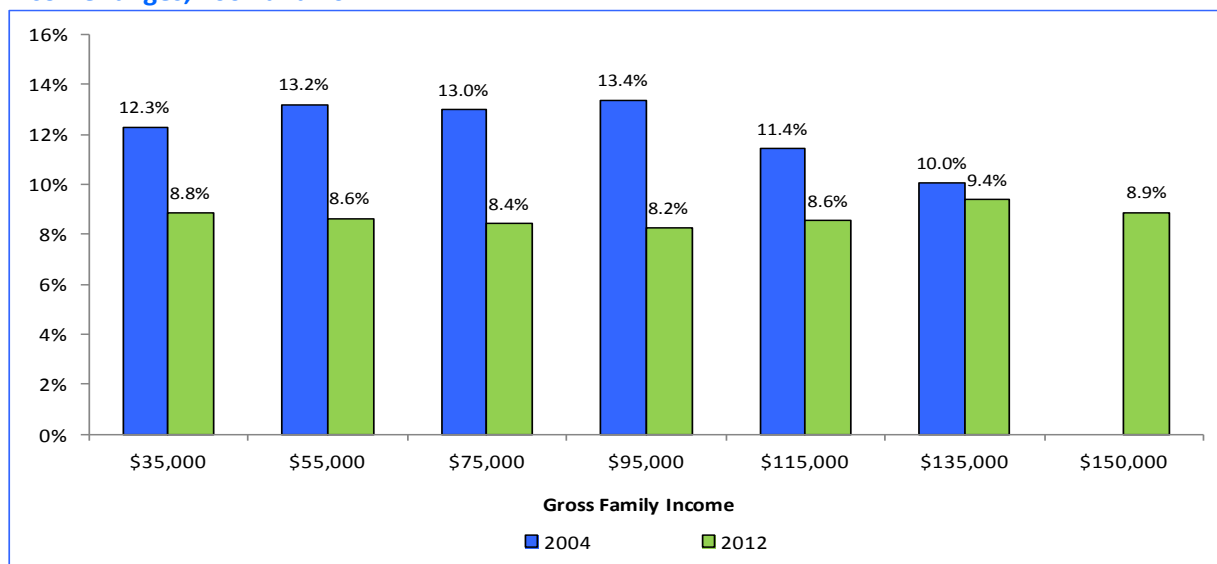
Table 8: Total estimated Child Care Benefit and Child Care Rebate entitlements by service type, September quarter 2012

Service type	Child Care Benefit ('000)	Child Care Rebate ('000)	Total ('000)
Long day care	\$432,614	\$462,004	\$894,618
Family day care and In-home care	\$126,517	\$45,910	\$172,427
Occasional care	\$1,642	\$1,871	\$3,514
Outside school hours care	\$49,271	\$55,302	\$104,573
Total	\$610,045	\$565,087	\$1,175,132

Source: DEEWR administrative data – based on estimated entitlements.

Out-of-pocket costs to parents have fallen from 2004 to 2012 across the income spectrum. In 2004, the out-of-pocket cost, after Australian Government subsidies, for a family with one child in long day care and earning a gross income of \$55,000 a year were 13.2 per cent of disposable income. In 2012, this proportion had declined to just 8.6 per cent. For families with a gross annual income of \$115,000 the proportion of disposable income spent on child care declined from 11.4 per cent in 2004 to 8.6 per cent in 2012 (Figure 2).

Figure 2: Out-of-pocket costs as a proportion of disposable income in long day care by selected family income ranges, 2004 and 2012

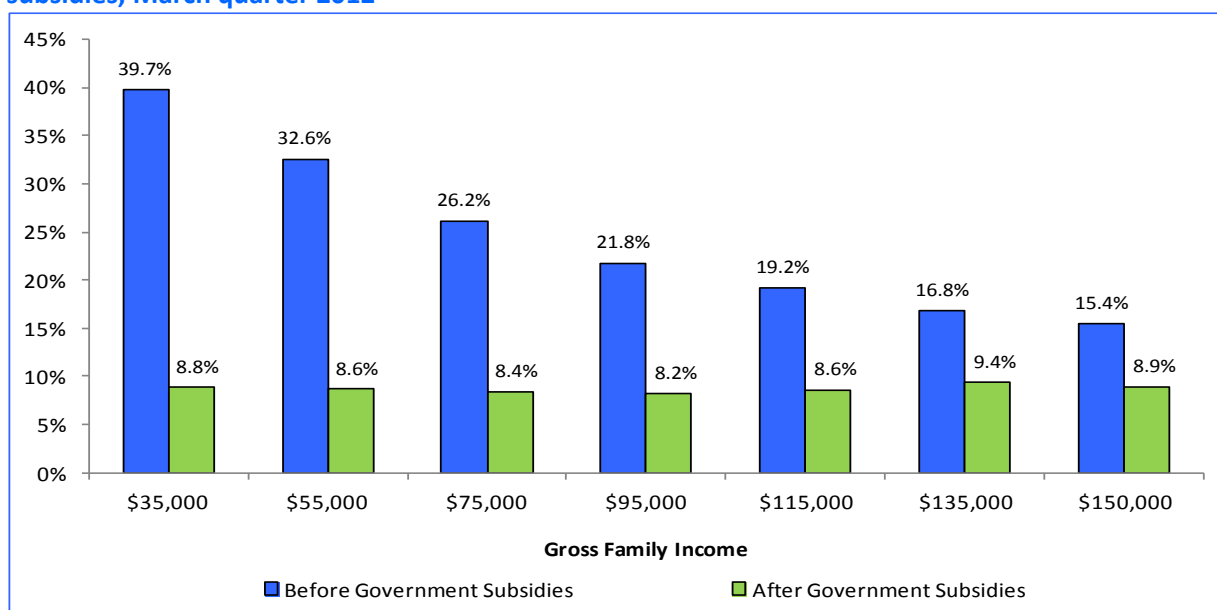


Source: DEEWR administrative data.

Note: This graph depicts families with one child, using 50 hours of care per week, paying the average cost for long day care in a reference week in the March quarters of 2004 and 2012. Data for gross family income of \$150,000 n/a for 2004.

Figure 3 presents 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 39.7 per cent of weekly disposable income for families earning a gross income of \$35,000 per year, to 15.4 per cent for families earning a gross income of \$150,000 per year. After subsidies, out-of-pocket costs were significantly reduced to around 9.0 per cent of disposable income across all income ranges.

Figure 3: Out-of-pocket costs for one child in long day care before and after Australian Government subsidies, March quarter 2012



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 data 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).

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 *Australian Statistical Geography Standard (ASGS)*, July 2011. This classification divides each state and territory into several regions on the basis of their relative access to services.

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 2012, that is, they had at least one record of child care attendance in the quarter.

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ABN 87 007 967 311

Level 2, 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