
3 Children's services

Children's services aim to meet the care, education and development needs of children. In this chapter, child care services are those that are provided to children aged less than 13 years (that is, 0–12 years), usually by someone other than the child's parents or guardian. Preschool services are services provided to children mainly in the year or two before they begin full time schooling. To acknowledge the important links between children's services and education, this chapter has been moved into the new 'Early childhood, education and training' section of the 2008 Report.

Most of the data in this chapter relate to services that are supported by the Australian, State and Territory governments and provided for children aged less than 13 years. Local governments also plan, fund and deliver children's services. Due to data limitations, the only local government data included are where Australian, State and Territory government funding and/or licensing are involved. The structure of the chapter is outlined below:

- a profile of children's services is presented in section 3.1. This provides a context for assessing the performance indicators presented later in the chapter
- a framework of performance indicators is outlined in section 3.2
- data on performance are discussed in section 3.3
- future directions for performance reporting are discussed in section 3.4
- jurisdictions' comments are presented in section 3.5
- definitions of key terms specific to children's services are found in section 3.6
- attachment tables for this chapter are listed in section 3.7 Attachment tables are identified in references throughout the chapter by an 'A' suffix (for example, table 3A.3 is table 3 in the attachment). Attachment tables are available on the CD-ROM enclosed with the Report, or from the Review website (www.pc.gov.au/gsp)
- the references used in this chapter are listed in section 3.8.

In addition to moving the chapter into what was previously the 'Education' section of the Report (now 'Early childhood, education and training'), major improvements to reporting on children's services this year include:

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- The representation of special needs groups in child care services and the community is presented for children aged 0–5 and 6–12. Previous reports presented only the 0–12 age group.
 - Child care services' performance against the National Childcare Accreditation Council's (NCAC) quality principles related to health and safety replaces 'serious injuries' as an indicator of health and safety.
 - Final data from the Australian Government's Census of Child Care Services conducted in 2006 is included this year. The 2007 Report included preliminary data from this source.

3.1 Profile of children's services

Service overview

Children's services are provided using a variety of service delivery models that can be grouped into the following six broad categories:

Centre-based long day care — comprises services aimed primarily at 0–5 year olds, provided in a centre, usually by a mix of qualified and other staff. Educational, care and recreational programs are provided based on the developmental needs, interests and experience of each child. In some jurisdictions, primary school children may also receive care before and after school, and during school vacations. Centres typically operate for at least eight hours per day on normal working days, for a minimum of 48 weeks per year.

Family day care — comprises services provided in the carer's home. The care is largely aimed at 0–5 year olds, but primary school children may also receive care before and after school, and during school vacations. Central coordination units in all states and territories organise and support a network of carers, often with the help of local governments.

Occasional care — comprises services usually provided at a centre on an hourly or sessional basis for short periods or at irregular intervals, for parents who need time to attend appointments, take care of personal matters, undertake casual and part time employment, study or have temporary respite from full time parenting. These services provide developmental activities for children, and are aimed primarily at 0–5 year olds. Centres providing these services usually employ a mix of qualified and other staff.

Preschool — comprises services usually provided by a qualified teacher on a sessional basis in dedicated preschools. Preschool programs or curricula may also be provided in long day care centres and other settings. These services are primarily aimed at children in the year before they commence full time schooling, although younger children may also attend in all jurisdictions except Victoria. In Victoria, WA and Tasmania, the preschool program is known as kindergarten.

Outside school hours care — comprises services provided for school aged children (primarily 5–12 year olds) outside school hours during term and vacations. Care may be provided on student free days and when school finishes early.

Other services — comprise government funded services to support children with additional needs or in particular situations (including children from an Indigenous or non-English speaking background, children with a disability or of parents with a disability, and children living in regional and remote areas).

Roles and responsibilities

The Australian Government and the State and Territory governments have different, but complementary, roles in supporting children’s services. Both levels of government help fund services, provide information and advice to parents and service providers, and help plan, set and maintain operating standards.

The Australian Government’s roles and responsibilities for child care include:

- paying Child Care Benefit (CCB) to families using approved child care services or registered carers
- paying Child Care Tax Rebate (CCTR) to eligible families using approved child care services
- funding the National Childcare Accreditation Council (NCAC) to administer quality assurance systems for child care services
- funding organisations to provide information, support and training to service providers
- providing operational and capital funding to some providers.

State and Territory governments’ roles and responsibilities vary across jurisdictions. Generally, State and Territory governments are responsible for preschool services. Other roles and responsibilities may include:

- licensing and setting standards for children’s services providers
- monitoring and resourcing licensed and/or funded children’s services providers

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- providing operational and capital funding to non-government service providers
 - delivering some services directly (especially preschool services)
 - developing new child care and preschool services
 - providing information, support, training and development opportunities for children's services providers
 - providing curriculum and policy support and advice, as well as training and development for management and staff
 - planning to ensure the appropriate mix of services is available to meet the needs of the community
 - providing information and advice to parents and others about operating standards and the availability of services
 - providing dispute resolution and complaints management processes.

Quality of care

Governments seek to ensure that children's services provide a satisfactory quality of care, through:

- licensing, quality assurance, measuring performance against standards, and funding linked to outcomes
- providing curriculum and policy support and advice
- training and development of management and staff.

Licensing

Providers of children's services must meet legislative and regulatory requirements regarding safety standards, staff qualifications, child/staff ratios, health and safety requirements, and child development, in order to obtain a licence to operate. State and Territory governments set the requirements, monitor performance and administer licences.

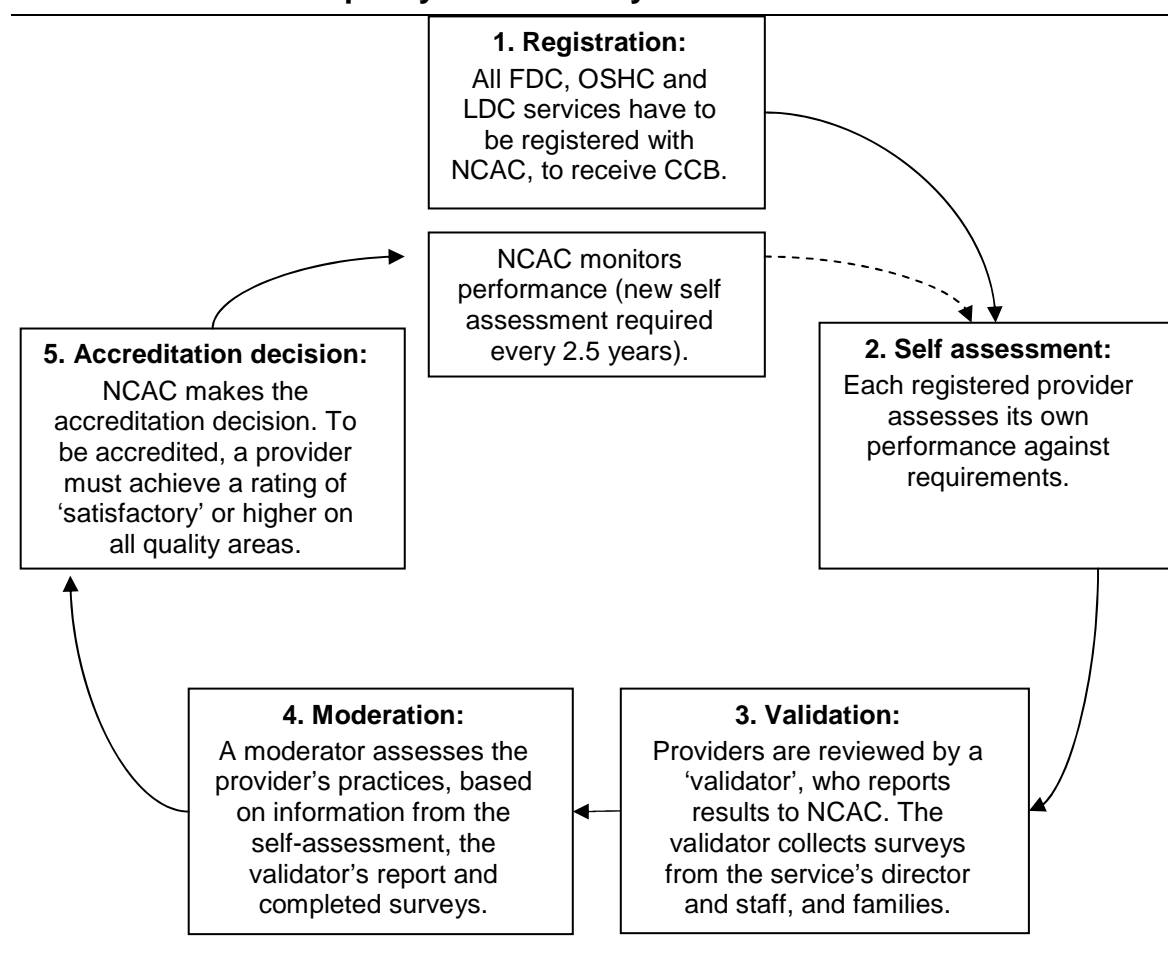
The Australian, State and Territory governments have jointly developed national standards for centre-based long day care, family day care and outside school hours care services. These standards express a national view about the level of care all Australians can expect from the different models of child care services available to them. The extent of implementation of these standards varies across jurisdictions.

Quality assurance

The Australian Government has implemented quality assurance systems for Australian Government funded centre-based long day care services, family day care services and outside school hours care services. To be eligible to offer CCB as a fee reduction to parents and some funding support, child care services have to register and satisfactorily participate in quality assurance. Quality assurance is designed to build on, and complement, the State and Territory government licensing requirements (where they exist).

The broad objective of the quality assurance systems is to ensure that children in care have stimulating, positive experiences and interactions that nurture all aspects of their development. The quality assurance systems do this by defining quality child care, providing a way to measure the quality of care provided by the service, and identifying areas for ongoing quality improvement. Services participating in the quality assurance system are required to progress through a five step process, outlined in figure 3.1.

Figure 3.1 **Accreditation process under National Childcare Accreditation Council quality assurance systems**



Source: adapted from NCAC (2004a, 2004b and 2005).

Funding performance standards and outcomes

State and Territory governments impose varying performance requirements for funding children's services. These requirements may include:

- the employment of higher qualified staff than required by licensing or minimum standards
- self assessment of quality
- a demonstration of the delivery of quality educational and recreational programs.

Funding

Total Australian, State and Territory government expenditure on children's services was approximately \$3.03 billion in 2006-07, compared with \$2.81 billion (in real

terms) in 2005-06. Nationally, real expenditure increased by 13.7 per cent between 2002-03 and 2006-07 (table 3A.4).

Australian Government expenditure accounted for 78.2 per cent (\$2.36 billion) of total government expenditure on children's services in 2006-07 (table 3A.3). State and Territory government expenditure on children's services in 2006-07 was approximately \$661.3 million. Total Australian, State and Territory government expenditure on children's services is also available by jurisdiction (tables 3A.3, 3A.4, 3A.5, 3A.31, 3A.39, 3A.47, 3A.55, 3A.63, 3A.71, 3A.79 and 3A.87).

In 2006-07, the provision of preschool services accounted for the largest proportion of total State and Territory government expenditure across all children's service models (81.8 per cent, or \$540.6 million) (table 3A.5).

The Australian Government provides supplementary funding to support the participation of Indigenous children in preschool programs. In 2007, an estimated \$13.5 million was provided on a per capita and project basis to 1254 preschools. The funding covers 8908 full time equivalent Indigenous preschool enrolments (DEST unpublished).

Size and scope

It is necessary to distinguish between the number of child care and preschool places provided, and the number of children who attend services. Because of the episodic nature of some services (for example, some children attend only for some sessions or some days), it is possible for one place to accommodate more than one child. The lack of a unique identifier for each child means it is difficult to accurately measure how many children access multiple services.

Child care services

The Australian Government supported 616 129 child care places in 2006 — an increase of 4.6 per cent on the number in 2005. The majority of Australian Government supported child care places were outside school hours care places (44.5 per cent), followed by centre-based long day care places (42.7 per cent), family day care places (12.2 per cent), occasional care places (0.5 per cent) and other care places (0.2 per cent) (table 3A.8). In 2006-07, State and Territory governments supported approximately 64 330 places in child care for children aged 12 years or younger (tables 3A.32, 3A.40, 3A.48, 3A.56, 3A.64, 3A.72, 3A.80 and 3A.88).

In 2006, approximately 796 137 children aged 12 years or younger attended Australian Government approved child care services (table 3A.10). An additional 112 499 children attended State and Territory funded and/or provided child care services (tables 3A.33, 3A.41, 3A.49, 3A.57, 3A.65, 3A.73, 3A.81, 3A.89).¹

Preschool services

Preschools provide a range of educational and developmental programs (generally on a sessional basis) to children in the year immediately before they commence full time schooling and also, in some jurisdictions, to younger children.

The age from which children may attend preschool varies across jurisdictions. Victoria contributes funding towards a preschool program for all four year old children, which is the year before they begin schooling. In all other jurisdictions, children may also begin preschool at a younger age in some circumstances (for example, Indigenous children, children with English as a second language, gifted children, and children from vulnerable families).

This disparity in the age from which children may access preschool services reduces the comparability of preschool data across jurisdictions. Preschool data are presented for two categories to improve comparability:

- children attending preschool in the year immediately before they commence full time schooling (data that are largely presented on a comparable basis for all jurisdictions)
- younger children attending preschool services.

State and Territory governments supported at least 211 011 preschool places in 2006-07 (tables 3A.32, 3A.40, 3A.48, 3A.56, 3A.64, 3A.72, 3A.80 and 3A.88). When counting attendance at preschool, approximately 248 172 children attended State and Territory funded and/or provided services in 2006-07.² The majority (89.0 per cent, or approximately 220 827 children) were to begin full time schooling the following year (table 3A.11).

¹ The mismatch between the number of places and the number of children attending child care is largely due to more than one child being able to fill one place, as many children attend on a part time basis. Further, in the State and Territory count, NSW does not discriminate between child care and preschool services, and children attending preschool services are included in the count for children attending child care.

² The mismatch between the number of places and the number of children attending preschool is largely due to more than one child being able to fill one place, as many children attend on a part time basis. Further, NSW counts 'places' in designated preschools only, but includes child care services in the 'attendance' count, since these services have preschool programs. The NT does not have a set number of preschool 'places'. Enrolments are not turned away.

Services by management type

Children's services are managed by the government (State, Territory and local), community and private sectors. The management structure of services indicates the involvement of these sectors in the direct delivery of children's services. The limited data on the management type of child care need to be interpreted with care because the scope of data collection varies across jurisdictions. Available data on the management type of preschool services is more complete than that for child care services, and indicate considerable variation across jurisdictions (table 3.1).

Table 3.1 Proportion of State and Territory licensed and/or registered children's services, by management type, 2006-07 (per cent)^a

	NSW	Vic ^b	Qld	WA	SA ^c	Tas ^d	ACT	NT ^e
Child care								
Community managed ^f	28.9	35.8	39.8	21.4	37.2	54.0	83.9	68.1
Private ^g	68.3	50.6	56.9	74.6	38.4	22.5	16.1	31.9
Government managed	2.8	13.6	3.3	4.0	24.4	23.5	–	na
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Preschool								
Community managed ^f	80.7	74.1	23.1	na	4.9	na	8.9	na
Private ^g	8.7	8.1	22.9	na	–	26.5	–	na
Government managed	10.7	17.8	54.0	100.0	95.1	73.5	91.1	100.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

^a Includes all Australian, State and Territory government supported services. ^b All government managed preschools in Victoria are managed by local government. ^c The majority of government managed child care services in SA are small occasional care programs attached to government preschools. ^d Preschools in Tasmania include funded non-government preschools. ^e Preschool services in NT are provided by the Department of Education directly, but a range of management functions are devolved to school councils and parent management committees. ^f Community managed services include not-for-profit services provided or managed by parents, churches or co-operatives. ^g Private for-profit services provided or managed by a company, private individual or non-government school. **na** Not available. – Nil or rounded to zero.

Source: State and Territory governments (unpublished); tables 3A.36, 3A.44, 3A.52, 3A.60, 3A.68, 3A.76, 3A.84 and 3A.92.

3.2 Framework of performance indicators

The framework of performance indicators is based on common objectives for children's services endorsed by the then Community Services Ministers' Advisory Council (CSMAC)³ (box 3.1). The relative emphasis placed on each objective varies across jurisdictions.

³ Now known as the Community and Disability Services Ministers' Advisory Council (CDSMAC).

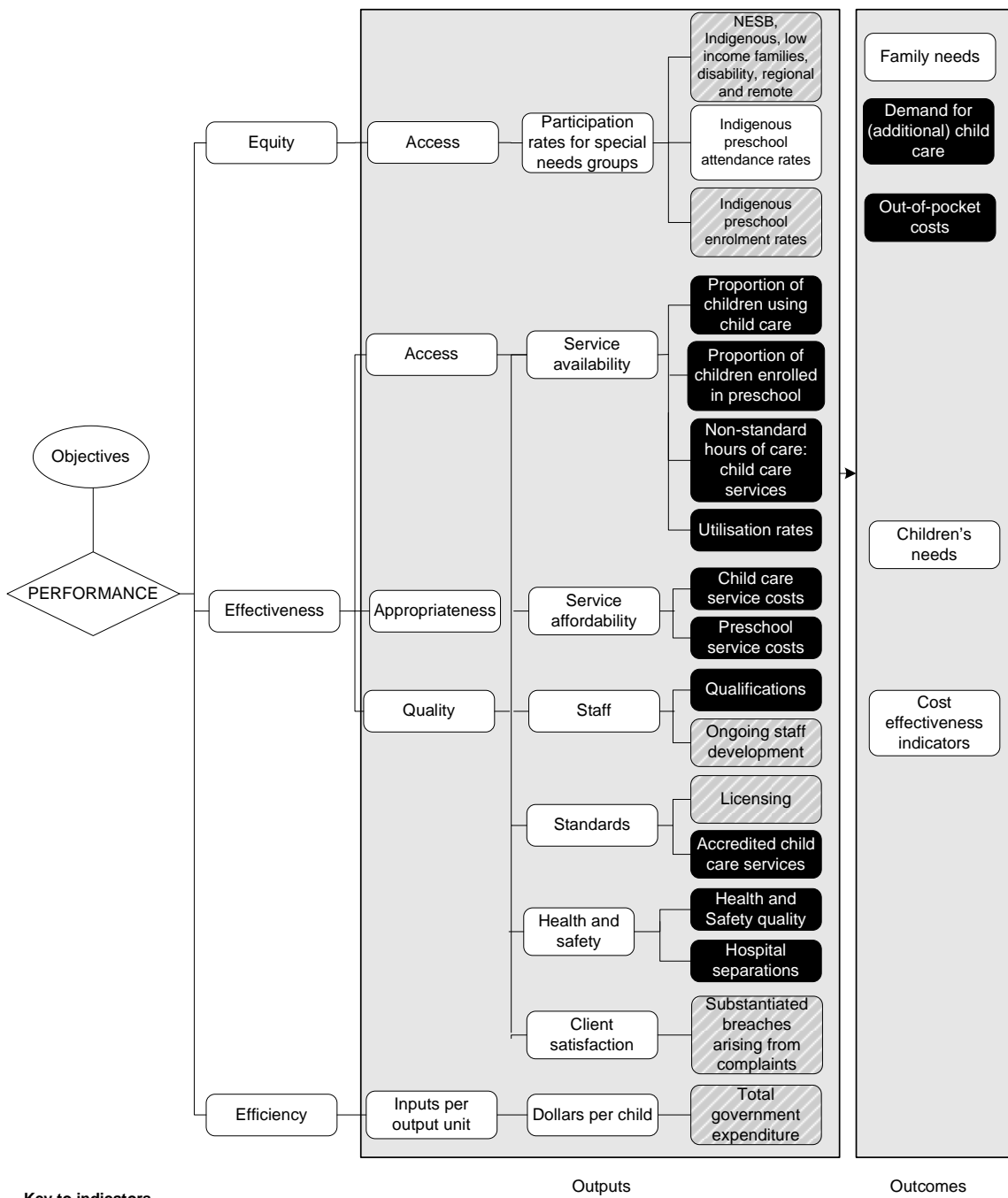
Box 3.1 Objectives for children's services

Children's services aim to:

- meet the care, education and development needs of children in a safe and nurturing environment
- provide support for families in caring for their children
- provide these services in an equitable and efficient manner.

A performance indicator framework consistent with these objectives is shown in figure 3.2. The framework shows which data are provided on a comparable basis in the 2008 Report. For data that are not considered directly comparable, the text includes relevant caveats and supporting commentary. Chapter 1 discusses data comparability from a Report-wide perspective (see section 1.6).

Figure 3.2 Performance indicators for children's services



Key to indicators

- Text** Data for these indicators comparable, subject to caveats to each chart or table
- Text** Data for these indicators are not complete, or not directly comparable
- Text** These indicators yet to be developed or data not collected for this Report

3.3 Key performance indicator results

Different delivery contexts, locations and types of clients may affect the equity, effectiveness and efficiency of children's services. Some of the data available for reporting in this chapter are not comparable across jurisdictions. Appendix A contains contextual information, which may assist in interpreting the performance indicators presented in this chapter. Definitions of key terms and indicators are in section 3.6.

Outputs

Outputs are the actual services delivered (while outcomes are the impact of these services on the status of an individual or group) (see chapter 1, section 1.5).

Equity

Access — participation rates for special needs groups

'Participation rates for special needs groups' is an indicator of equitable access to children's services (box 3.2).

Box 3.2 Participation rates for special needs groups

'Participation rates for special needs groups' is an indicator of governments' objective to ensure that:

- all Australian families have equitable access to child care and preschool services
- there is no discrimination between groups
- there is consideration of the needs of those groups which may have special difficulty accessing services.

This indicator is defined as the proportion of children using child care services who are from targeted special needs groups, compared with the representation of these groups in the community. Data are reported separately for child care (for 0–5 and 6–12 year olds) and preschool services (3–5 year olds). Targeted special needs groups include children from a non-English speaking background, children from an Indigenous background, children from low income families, children with a disability, and children from regional and remote areas. 'Indigenous preschool enrolment rates' are used as a proxy for 'Indigenous preschool attendance rates' (see figure 3.3).

The representation of special needs groups among children's services users being broadly similar to their representation in the community, may indicate equity of access.

The data indicate that the representation of children in special needs groups among users of Australian Government supported child care is sometimes substantially different across jurisdictions (table 3.2). It is important to note that due to the unavailability of certain data items, the Australian Government data exclude some flexible and innovative services, that are targeted towards children from these groups.

At a national level, patterns for children from special needs groups varied:

- Children from a non-English speaking background participated in child care at a lower rate than this group's representation in the community. This was the case for both the 0–5 age group (12.1 per cent representation in child care compared to 20.1 per cent representation in the community) and the 6–12 age group (8.5 per cent and 17.7 per cent representation, respectively).
- Indigenous children from both age groups participated in child care at a lower rate than their representation in the community. In the 0–5 age group, 1.8 per cent of children were represented in child care, compared to 4.4 per cent represented in the community. In the 6–12 age group, these representations were 1.6 per cent compared to 4.3 per cent, respectively.
- Younger children (aged 0–5) from low income families participated in child care services at a similar rate (26.9 per cent) to this group's representation in the community (26.1 per cent). Older children from low income families (aged 6–12) had a lower representation in child care (25.9 per cent) than their representation in the community (28.2 per cent).
- Children with a disability from both age groups had a lower representation in child care compared to their representation in the community. In the 0–5 age group, 2.5 per cent of children were represented in child care, compared to 5.2 per cent represented in the community. In the 6–12 age group, these representations were 3.2 per cent and 9.8 per cent, respectively.
- Younger children (aged 0–5) from regional areas participated in child care services at a similar rate (30.9 per cent) to this group's representation in the community (31.6 per cent). Older children from regional areas (aged 6–12) had a lower representation in child care (25.1 per cent) than their representation in the community (34.3 per cent).
- Children from remote areas participated in child care at a lower rate than this group's representation in the community. This was the case for both the 0–5 age group (1.3 per cent representation in child care compared to 3.1 per cent representation in the community) and the 6–12 age group (0.9 per cent and 3.0 per cent representation, respectively).

Table 3.2 Proportion of children (aged 0–5, 6–12 years) from special needs groups attending Australian Government approved child care services, 2006 (per cent)^{a, b}

<i>Representation</i>	<i>NSW</i>	<i>Vic</i>	<i>Qld</i>	<i>WA</i>	<i>SA</i>	<i>Tas</i>	<i>ACT</i>	<i>NT</i>	<i>Aust</i>
Children from non-English speaking backgrounds									
Aged 0–5 in child care services	17.9	14.3	5.8	7.5	9.2	2.9	11.8	9.6	12.1
Aged 0–5 in the community	24.6	23.2	12.8	16.8	14.8	8.1	17.8	37.0	20.1
Aged 6–12 in child care services	14.6	10.5	3.9	3.9	6.7	1.7	6.5	6.8	8.5
Aged 6–12 in the community	22.1	20.5	11.2	14.5	12.8	6.5	14.9	36.5	17.7
Indigenous children									
Aged 0–5 in child care services	1.7	0.7	2.2	2.3	2.3	1.4	0.8	10.6	1.8
Aged 0–5 in the community	4.1	1.2	6.4	5.6	3.4	6.6	2.2	38.9	4.4
Aged 6–12 in child care services	1.2	0.6	2.2	1.8	1.9	1.5	0.6	11.9	1.6
Aged 6–12 in the community	4.1	1.2	6.1	5.5	3.3	6.4	2.3	39.4	4.3
Children from low-income families									
Aged 0–5 in child care services	26.3	26.6	29.3	26.8	27.8	29.8	11.2	17.6	26.9
Aged 0–5 in the community	23.9	27.2	29.0	27.7	25.8	32.7	7.7	np	26.1
Aged 6–12 in child care services	22.3	26.4	27.3	29.5	30.9	27.5	9.1	17.3	25.9
Aged 6–12 in the community	29.9	26.8	28.8	23.5	34.1	35.3	10.7	np	28.2
Children with a disability									
Aged 0–5 in child care services	3.2	2.0	1.8	2.0	3.2	2.3	1.7	3.2	2.5
Aged 0–5 in the community	4.7	4.6	5.1	6.0	7.0	4.4	9.1	np	5.2
Aged 6–12 in child care services	3.0	3.1	2.9	3.6	4.3	2.4	2.1	4.6	3.2
Aged 6–12 in the community	10.7	8.5	9.5	11.4	10.2	7.7	6.2	np	9.8
Children from regional areas									
Aged 0–5 in child care services	27.5	28.1	38.0	20.5	20.8	99.1	0.2	73.9	30.9
Aged 0–5 in the community	27.1	26.5	44.6	23.9	25.8	98.0	0.1	50.9	31.6
Aged 6–12 in child care services	20.5	19.9	34.0	15.0	14.8	100.0	–	82.5	25.1
Aged 6–12 in the community	30.3	29.7	47.1	25.5	27.4	97.8	0.3	51.9	34.3
Children from remote areas									
Aged 0–5 in child care services	0.4	na	1.4	4.2	2.6	0.9	..	26.1	1.3
Aged 0–5 in the community	0.7	0.1	4.6	8.9	4.3	2.0	..	50.6	3.1
Aged 6–12 in child care services	0.1	na	1.1	2.5	1.4	–	..	17.4	0.9
Aged 6–12 in the community	0.7	0.1	4.3	8.4	4.4	2.1	..	50.7	3.0

^a See source table for complete footnotes and definitions. ^b These numbers do not include innovative or flexible services that receive direct funding from the Australian Government and are targeted towards children from these special needs groups. .. Not applicable – Nil or rounded to zero. **np** Not published.

Source: AGCCCS (unpublished); ABS 2006 *Census of Population and Housing* (unpublished); ABS *Survey of Income and Housing 2005-06* (unpublished); ABS *Survey of Disability, Ageing and Carers 2003* (unpublished); table 3A.21.

Data on the representation of special needs groups for children aged 3–5 years in government funded preschools are provided in table 3.3. The data provide a broad indication of the relative access to preschool for special needs groups. Nationally, the patterns for children from special needs groups in preschool varied:

- Children from non-English speaking backgrounds had a lower representation in preschools (8.0 per cent) than in the community (18.7 per cent).

- Indigenous children's representation in preschools varied across jurisdictions, though at the national level, they participated at a similar proportion (4.9 per cent) to their representation in the community (4.5 per cent).
- The proportion of children with a disability was lower in preschools (5.3 per cent) compared to their representation in the community (8.0 per cent).
- The proportion of children from regional areas attending preschool was higher (36.8 per cent) compared to their representation in the community (32.3 per cent).
- The proportion of children from remote areas attending preschool varied across jurisdictions, though nationally they participated at a similar rate (4.7 per cent) to their representation in the community (4.2 per cent) (table 3.3).

Data on representation of special needs groups in State and Territory child care and preschools, for children aged 0–12, can be found in attachment tables 3A.37, 3A.45, 3A.53, 3A.61, 3A.69, 3A.77, 3A.85 and 3A.93.

Table 3.3 Proportion of children (aged 3–5 years) from special needs groups attending State and Territory funded or provided preschools, 2006-07^a

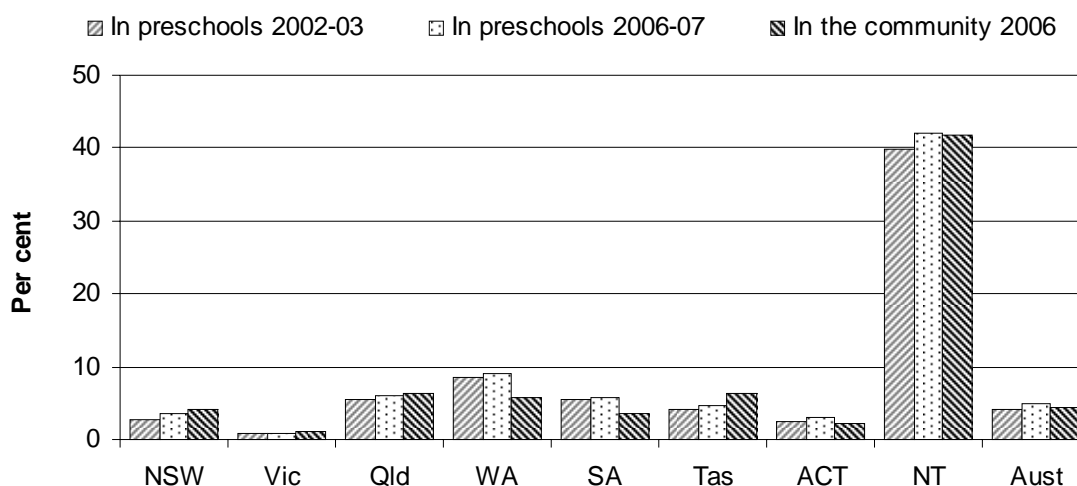
<i>Representation</i>	<i>NSW</i>	<i>Vic</i>	<i>Qld</i>	<i>WA</i>	<i>SA</i>	<i>Tas</i>	<i>ACT</i>	<i>NT</i>	<i>Aust</i>
Children from non-English speaking backgrounds									
In preschool services	9.8	16.4	1.6	na	10.3	na	14.7	na	8.0
In the community ^b	23.2	21.6	11.6	15.6	13.5	7.2	16.1	38.7	18.7
Indigenous children									
In preschool services ^c	3.6	0.8	6.1	9.1	5.9	4.8	3.0	42.1	4.9
In the community ^b	4.1	1.2	6.4	5.8	3.5	6.4	2.3	41.8	4.5
Children with a disability									
In preschool services ^d	6.2	5.8	2.3	2.7	15.1	na	4.2	6.8	5.3
In the community ^b	7.7	6.5	8.6	10.2	8.3	7.2	14.3	np	8.0
Children from regional areas									
In preschool services ^c	30.8	33.1	48.3	29.4	28.0	98.5	1.0	45.1	36.8
In the community ^b	28.0	27.5	45.1	24.5	26.2	97.7	0.1	48.2	32.3
Children from remote areas									
In preschool services ^c	1.3	0.3	8.2	9.1	5.6	1.5	..	54.9	4.7
In the community ^b	1.0	0.1	6.2	11.8	5.8	2.6	..	68.2	4.2

^a See source table for complete footnotes and definitions. ^b Data showing representation in the community are estimated from the ABS 2006 Census of Population and Housing, except for "children with a disability", which are sourced from the ABS 2003 Survey of Disability, Ageing and Carers. ^c These numbers do not include innovative or flexible services that receive direct funding from the Australian Government and are targeted towards children from these groups. ^d Data are not directly comparable between jurisdictions because there is no national definition or standard on children with a disability. .. Not applicable. na Not available. – Nil or rounded to zero.

Source: State and Territory governments (unpublished); ABS 2006 *Census of Population and Housing* (unpublished); ABS *Survey of Disability, Ageing and Carers 2003* (unpublished); tables 3A.37, 3A.45, 3A.53, 3A.61, 3A.69, 3A.77, 3A.85 and 3A.93.

Data on Indigenous attendance in preschools were not available for this Report. However, Indigenous enrolments between 2002-03 and 2006-07 increased slightly in almost all jurisdictions, and nationally are similar to Indigenous children's representation in the community (figure 3.3).

Figure 3.3 Proportion of Indigenous children aged 3–5 years, in the community and enrolled at preschools a, b, c, d



a Data showing representation in the community are estimated from the ABS 2006 *Census of Population and Housing*. **b** Data for the representation in preschool services are from State and Territory enrolment data. **c** All Indigenous data relate to people who self-identify as being of Aboriginal and/or Torres Strait Islander descent. **d** The ABS Census Post Enumeration Survey has estimated an undercount of Indigenous people in the 2006 Census, and the estimates of the proportional representation in the community of Indigenous children should be treated with caution.

Source: ABS 2006 *Census of Population and Housing* (unpublished); State and Territory governments (unpublished).

Effectiveness

Service availability — proportion of children using child care services

An indicator of community access to child care services is the proportion of children in the target population who use the services (box 3.3).

Box 3.3 Proportion of children using child care

'Proportion of children using child care' is an indicator of governments' objective to ensure that all Australian families have equitable access to child care services.

This indicator is defined as the proportion of children using child care services in the target age groups.

A higher proportion of children using the services may indicate a higher level of service availability. This indicator does not provide information on parental preferences for using child care, or other factors, such as school starting age, which may affect use of care.

The employment status of parents may influence children's access to services, depending on the service model. Those services eligible for CCB, for example, must follow the Australian Government's 'priority of access' guidelines when filling vacant places. The guidelines give a high priority to children at risk and children of parents with work-related child care needs (see section 3.6 for more detail). Details of the employment status of parents whose children use these services are shown in table 3A.15.

Nationally, 26.4 per cent of children aged 0–12 years attended Australian approved and State and Territory government funded and/or provided child care in 2006-07 (table 3.4). Nearly all of these children (23.2 per cent) attended Australian Government approved child care services (figure 3.4). The majority of children attending Australian Government approved child care in 2006 (approximately 528 446, or 66.4 per cent) were aged 0–5 years (table 3A.10).

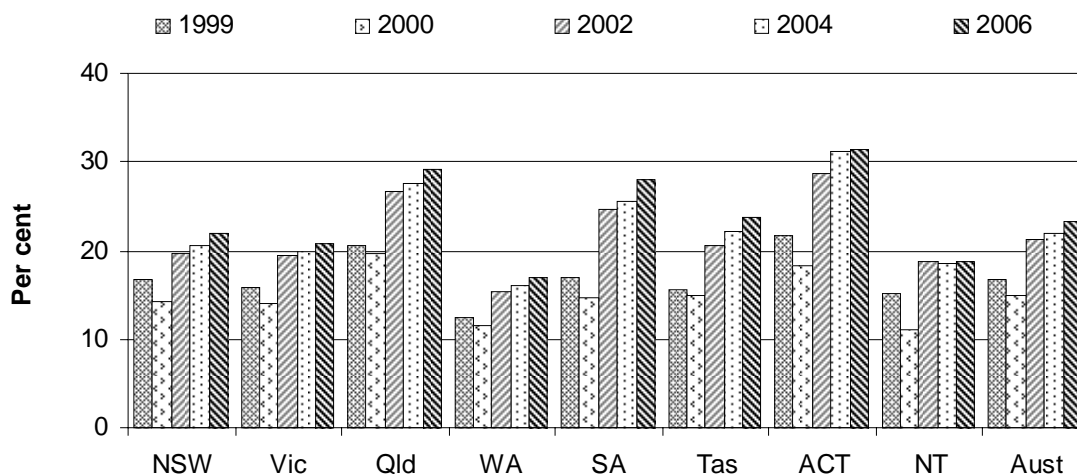
Table 3.4 Proportion of children using Australian Government approved and State and Territory government funded and/or provided child care, 2006-07^{a, b}

Age	NSW ^c	Vic	Qld	WA	SA	Tas	ACT	NT	Aust
0–5 years	52.0	29.4	43.3	26.9	35.7	37.6	42.0	23.8	40.3
6–12 years	13.8	14.1	18.2	9.0	24.0	14.5	22.7	14.2	15.2
0–12 years	31.2	21.0	29.3	16.9	29.2	24.7	31.5	18.8	26.4

^a Australian Government data are estimated and weighted from the Australian Government Census of Child Care Services (AGCCCS). Figures published in the 2008 Report are based on final data from the 2006 AGCCCS and differ from the preliminary numbers published in the 2007 Report. ^b Population as at 30 June 2006. ^c As NSW does not differentiate between children in child care and children in preschools, children attending either service are counted in both categories. This overcount means that NSW data are not comparable with data for other states and territories.

Source: AGCCCS 2006 (unpublished); State and Territory governments (unpublished); ABS *Population Projections, Australia 2004 to 2101* (data cube); tables 3A.1, 3A.10, 3A.33, 3A.41, 3A.49, 3A.57, 3A.65, 3A.73, 3A.81, 3A.89.

Figure 3.4 Proportion of children aged 0–12 years using Australian Government approved child care^{a, b, c}



^a Excludes children cared for in neighbourhood model services. ^b Data for, 1999, 2002, 2004 and 2006 are drawn from the respective AGCCCS, while data for 2000 are drawn from Centrelink administrative data. The AGCCCS and Centrelink data are not fully comparable and interpretation needs to be made with care. ^c The Australian total includes children in other territories.

Source: AGCCCS 1999, 2002, 2004 and 2006 (unpublished); Centrelink administrative data August 2000 (unpublished); ABS *Population Projections, Australia 2004 to 2101* (data cube); table 3A.10.

The average hours of attendance in child care in 2006 varied considerably across jurisdictions, for all service models. Nationally, average attendance per child at centre-based long day care centres was 19.1 hours per week, while the average attendance per child at family day care was 17.7 hours per week. The national average attendance per child at occasional care was 10.1 hours per week and the national average attendance at vacation care during school holidays was 2.8 days per week (table 3A.9).

Service availability — proportion of children enrolled in preschool

An indicator of community access to preschool services is the proportion of children in the target population who use the services (box 3.4).

Box 3.4 Proportion of children enrolled in preschool

'Proportion of children enrolled in preschool' is an indicator of governments' objective to ensure that all Australian families have equitable access to preschool services.

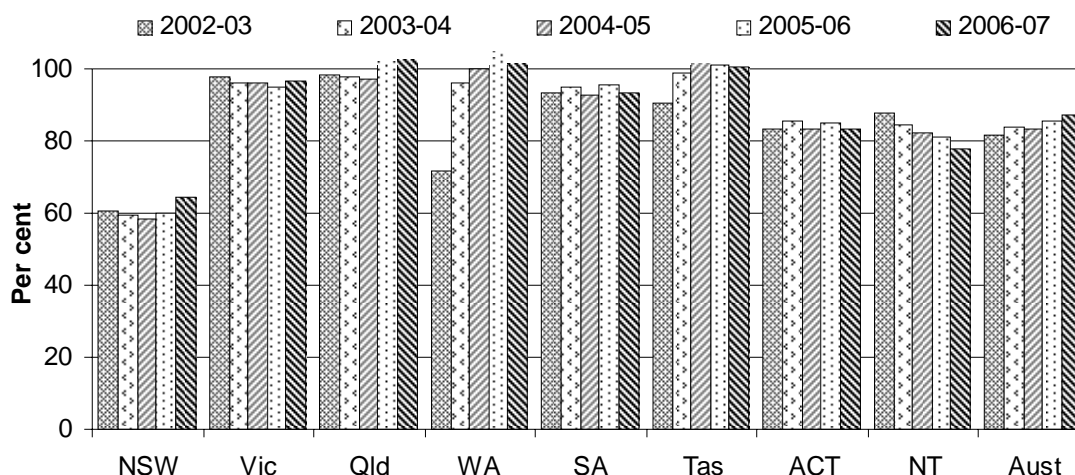
This indicator is defined as the proportion of children using preschool services in the target age groups. Two measures are reported:

- the percentage of children attending preschool in the year before the commencement of fulltime schooling
- the percentage of younger children attending preschool.

A higher proportion of children using the services may indicate a higher level of service availability. This indicator does not provide information on parental preferences for using preschool, or other factors, such as school starting age, which may affect use of preschool.

Nationally in 2006-07, an estimated 87.2 per cent of children of 4 years of age were enrolled at State and Territory government funded and/or provided preschool in the year immediately before they commenced school. There is some double counting in several jurisdictions, as well as issues with synchronisation of data collection times for preschool enrolments and population estimates. This may lead to an overestimation of enrolment in some states and territories (for example, where enrolment rates exceed 100 per cent) (figure 3.5).

Figure 3.5 Proportion of children enrolled at State and Territory government funded and/or provided preschool services in the year immediately before the commencement of full time schooling^{a, b, c, d, e, f}



^a The figure shows the proportion of 4 year old children in preschool services (a proxy for 'year before fulltime school') using data collected from State and Territory enrolment figures. The enrolment figures are divided by the number of 4 year olds in each jurisdiction, using ABS population projections. The two datasets are estimated at different times of the year, and are up to six months out of sequence with each other. Some non-4 year olds may also be included in the enrolment figures. ^b There is some double counting of children in NSW, Qld, WA and NT because some children moved in and out of the preschool system throughout the year and some children accessed more than one sessional program. As a result, the number of children reported in preschool exceeds the number of children in the target population. There is no double counting for Victoria, SA, Tasmania and the ACT because a snapshot is used for each year's data collection. ^c NSW data for 2006-07 include for the first time preschools managed by the NSW Department of Education. NSW data do not include the non-government school sector in any of the years. The count for preschool attendance includes children aged from 4 to 5 years, 11 months attending child care services. ^d Victorian data include some children attending funded preschool services conducted in centre-based long day care centres and independent schools. ^e WA data for 2002-03 exclude the non-government sector. ^f Data for SA include all children aged four years and above in State funded preschool services. Data exclude children in preschools which are not government funded.

Source: State and Territory governments (unpublished); ABS *Population Projections, Australia 2004 to 2101* (data cube); table 3A.11.

Younger children in NSW, Queensland, SA, the ACT and the NT attended government funded preschool services in 2006-07. For these jurisdictions, around 10.7 per cent of children aged 3 years attended preschool services in that year (approximately 27 345 children). Participation in 2006-07 differed across jurisdictions, in part due to variation in policies on access to funded preschool services (table 3A.11).

All jurisdictions except NSW and Victoria provided data on the average hours of attendance for government funded and/or provided preschool services in 2006-07 (Victoria reported average attendance for 2005-06, for the first time). For those jurisdictions that provided data for 2006-07, the average attendance of children in

the year immediately before they commenced full time schooling was at least 11 hours per week (tables 3A.48, 3A.56, 3A.64, 3A.72, 3A.80 and 3A.88).

Service availability — non-standard hours of care in child care services

An indicator of the community's access to flexible child care services is the proportion of child care services offering 'non-standard hours of care' (box 3.5).

Box 3.5 Non-standard hours of care: child care services

'Non-standard hours of care: child care services' is an indicator of governments' objective to ensure government funded and/or provided child care services meet the needs of all users.

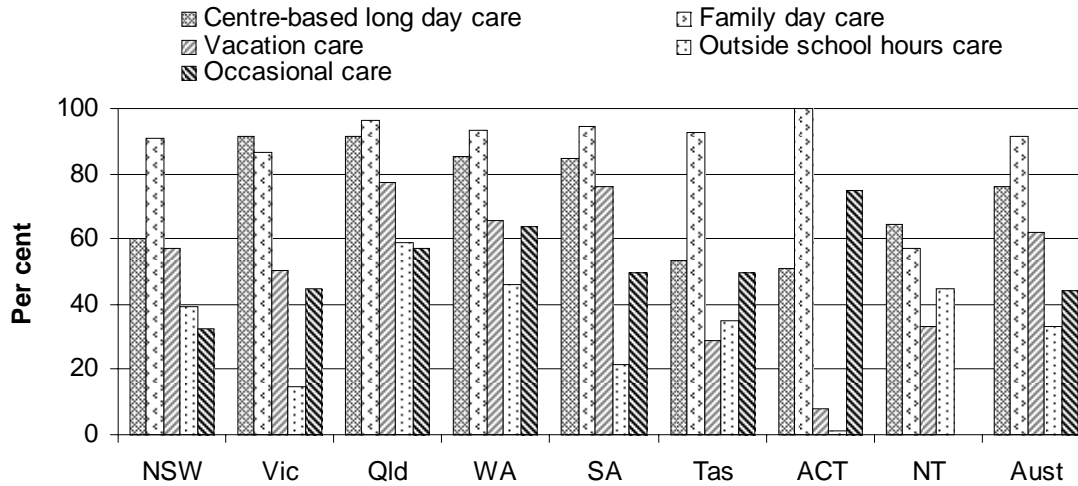
This indicator is defined as the number of child care services providing non-standard hours of care divided by the total number of services. Data are reported by service model. Definitions of 'standard hours' and 'non-standard hours' are presented in section 3.6 'Definitions of key terms'.

A higher proportion of services providing non-standard hours of care may suggest a greater flexibility of services to meet the needs of families.

This indicator does not provide information on the demand for non-standard hours of care. Further, it provides no information on how closely available non-standard hours services match the needs of users.

Provision of non-standard hours of care may be influenced by a range of factors, such as costs to services and parents, demand for care, availability of carers, and compliance with occupational and health and safety requirements. Figure 3.6 shows the proportion of services that provided non-standard hours of care by service model.

Figure 3.6 Australian Government approved child care services providing non-standard hours of care, by service model, 2006^a



^a Data are estimated and weighted from the AGCCCS. Figures published in the 2008 Report are based on final data from the 2006 AGCCCS and differ from the preliminary numbers published in the 2007 Report.

Source: AGCCCS 2006 (unpublished); table 3A.16.

Limited data are available on services not included in the Australian Government Census of Child Care Services (AGCCCS) that were offering non-standard hours of care (see tables 3A.37, 3A.53, 3A.69, and 3A.77).

All states and territories were asked to provide data on the proportion of their preschools that offered non-standard hours of care in 2006-07. Only NSW and SA were able to provide data on this item (tables 3A.37 and 3A.69).

Service availability — utilisation rates

‘Utilisation rates’ is an indicator of equitable and adequate access to children’s services (box 3.6).

Box 3.6 Utilisation rates

'Utilisation rates' is an indicator of governments' objective to ensure all Australian families have equitable and adequate access to children's services.

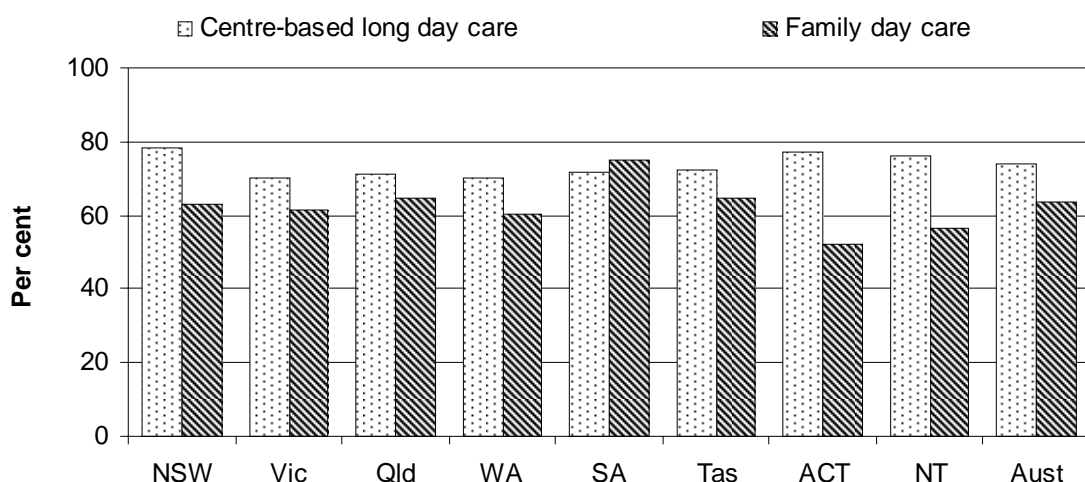
Utilisation refers to the level of usage of a service and can be measured in a number of ways, including vacancy levels and capacity to provide more hours of care. Utilisation rates can also measure how efficiently existing assets are being used. Although governments do not always directly own or operate children's services, the level of utilisation may be relevant where governments provide targeted capital or operational funding to establish or maintain services. The indicator on utilisation rates of children's services is calculated as the total child hours paid for as a percentage of total available hours, for centre-based long day care and family day care.

The desirable level of utilisation will depend on a number of factors. High levels of utilisation may be desirable as a measure of efficiency in situations where a community does not require additional services. An alternative view of high utilisation rates is that services are less accessible as there is less spare capacity.

The utilisation rates in Australian Government approved centre-based long day care and family day care services in different jurisdictions are shown in figure 3.7.

Nationally, utilisation rates were higher for centre-based long day care (73.9 per cent) than for family day care (63.3 per cent) in 2006.

Figure 3.7 Utilisation rates, centre-based long day care and family day care, 2006 (per cent)^{a, b}



^a Data are estimated and weighted from the AGCCCS. Figures published in the 2008 Report are based on final data from the 2006 AGCCCS and differ from the preliminary numbers published in the 2007 Report.

^b Family day care data exclude in-home care.

Source: AGCCCS 2006 (unpublished); table 3A.17.

Service affordability — child care service costs

An indicator of the affordability (and thus accessibility) of children's services is 'child care service costs', represented by average weekly fees for child care services (box 3.7).

Box 3.7 Child care service costs

'Child care service costs' is an indicator of governments' objective to ensure all Australian families have equitable access to children's services regardless of their financial circumstances.

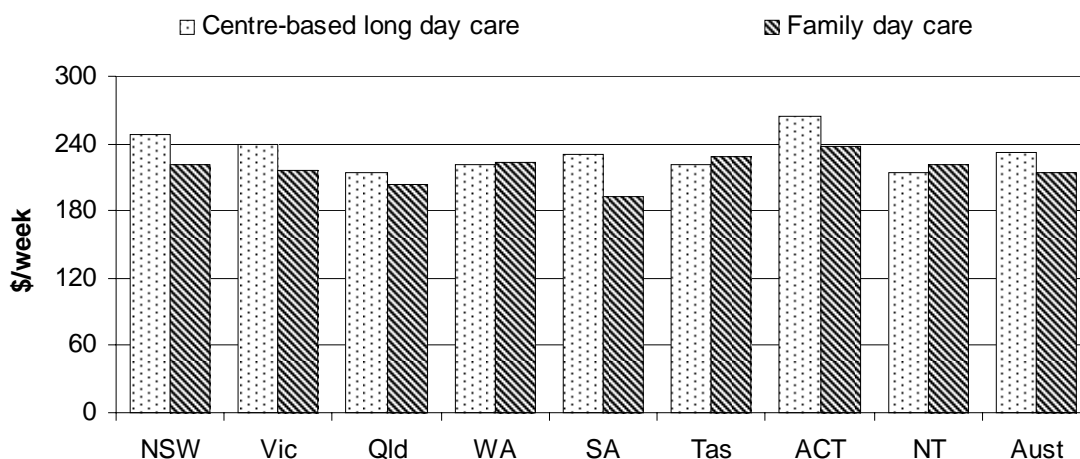
This indicator is defined as average weekly fees for 50 hours of care by service model.

Provided the service quality is held constant, lower service costs are more desirable.

Fee data need to be interpreted with care because fees are independently set by service providers. Charging practices, including fees, are commercial decisions made by individual services, so there is significant variation in the fees charged by services. Fee variation occurs as a result of factors including State and Territory licensing requirements, award wages, and whether fees include charges for additional services such as nappies and meals.

Nationally, average weekly fees for 50 hours of care in 2006 were higher for centre-based long day care services (\$233) than for family day care (\$215), as shown in figure 3.8. The real average weekly fees for both centre-based long day care and family day care increased between 2004 and 2006 (by 2.5 per cent and 6.7 per cent, respectively) (table 3A.27).

Figure 3.8 **Average fees charged by Australian Government approved child care services, 2006 (\$/week)^{a, b, c, d}**



^a Average fees based on 50 hours of care in the Census reference week. ^b Data are estimated and weighted from the AGCCCS. Figures published in the 2008 Report are based on final data from the 2006 AGCCCS and differ from the preliminary numbers published in the 2007 Report. ^c Family day care data exclude in-home care. ^d Family day care fee includes parent levy.

Source: AGCCCS 2006 (unpublished); table 3A.27.

Service affordability — preschool service costs

‘Preschool service costs’ is an indicator of the affordability and accessibility of preschool services (box 3.8).

Box 3.8 Preschool service costs

‘Preschool service costs’ is an indicator of governments’ objective that all Australian families have equitable access to children’s services regardless of their financial circumstances.

This indicator is defined as the weekly cost of preschool per child (after subsidies received by families). Data are reported as the median weekly cost per child.

Provided the service quality and quantity is held constant, lower weekly costs represent more affordable preschool.

Various factors influence preschool costs and care needs to be exercised when interpreting results, as:

- there may be differences between jurisdictions in the number of hours and sessions attended by children each week

(Continued on next page)

Box 3.8 (Continued)

- preschool services are provided by a mix of providers (community, private and government). Differences in charging practices, including fees, may be due to commercial or cost recovery decisions made by individual services. Fee variation can also occur as a result of charges for additional services such as meals and materials
- fees may reflect higher land values and rental fees charged in major cities
- some jurisdictions provide targeted fee relief that lowers fees for some children.

Further detail about the mix of providers of preschool (community, private and government) is provided in tables 3A.36, 3A.44, 3A.52, 3A.60, 3A.68, 3A.76, 3A.84 and 3A.92.

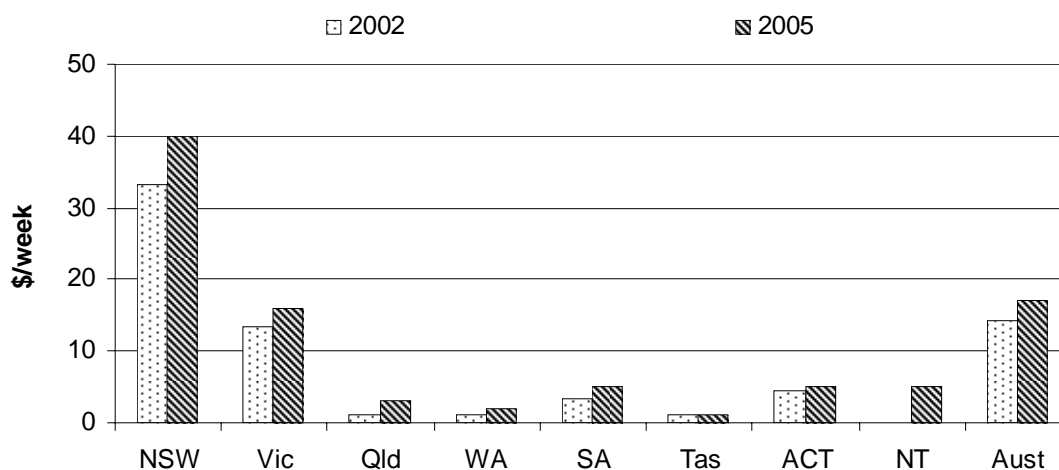
Preschool service costs per child may also depend on the time spent in preschool. Of the 257 100 children attending preschool in the reference week in 2005:

- 10.6 per cent attended preschool for less than five hours per week
- 21.3 per cent attended for between five and nine hours per week
- 40.7 per cent attended for between 10 and 14 hours per week
- 19.2 per cent attended for between 15 and 19 hours per week
- 8.2 per cent attended for more than 20 hours per week (ABS 2006).

Data for this indicator were obtained from the ABS 2005 *Child Care Survey*. This is a household survey, with parents responding to questions about use of child care and preschool services. Some children attend a preschool program within another child care setting, for example in a long day care service, where the costs would generally be higher than in preschool. It is expected that in most of these cases, the parent would report the service model as (for example) a long day care centre, rather than preschool, but in some instances the parent may report the service model as preschool. In addition to issues around self-reporting, some services included in the survey may not necessarily be funded by governments. Box 3.19 includes further information about the 2005 Child Care survey.

Nationally, the median cost of preschool per child in 2005 was \$17 per week. After adjusting for inflation, the median cost for 2002 (in 2004-05 dollars) was \$14 per week (figure 3.9). Table 3A.28 provides additional information on the preschool service costs for children by cost range for selected jurisdictions.

Figure 3.9 **Children who attended preschool, real median weekly cost per child (after subsidies) (2004-05 dollars) a, b, c, d, e**



a Net costs per child after subsidies have been received. Some children attending preschool services may be eligible for the minimum rate of the Child Care Benefit. **b** The estimates are not based on standardised measures of child age, hours of service provided or preschool service delivery mechanisms. **c** In Victoria and NSW, a fee subsidy is paid directly to services to reduce fees paid by eligible families such as those holding approved concession cards or meeting specified income thresholds. **d** The estimates for Tasmania and the ACT have a relative standard error between 25 per cent and 50 per cent and should be used with caution. **e** For 2005, the estimates for Queensland, WA, Tasmania and NT have high relative standard errors and should be used with caution.

Source: ABS 2002, 2005 *Child Care Surveys* (unpublished); table 3A.28.

Quality

An important focus of Australian, State and Territory governments is to set and maintain appropriate quality standards in child care and preschool services. Indicators of the quality of children's services are:

- the proportion of qualified staff
- the rate of ongoing staff development
- the extent of licensing of services
- the proportion of services that have achieved quality accreditation
- the number of injuries requiring hospitalisation suffered while in care
- child care services' performance against the NCAC's quality principles related to health and safety
- the number of substantiated breaches arising from complaints.

These data need to be treated with caution because there are differences in reporting across jurisdictions.

Staff— qualifications

Staff qualifications are a proxy indicator of staff quality (box 3.9).

Box 3.9 Qualifications

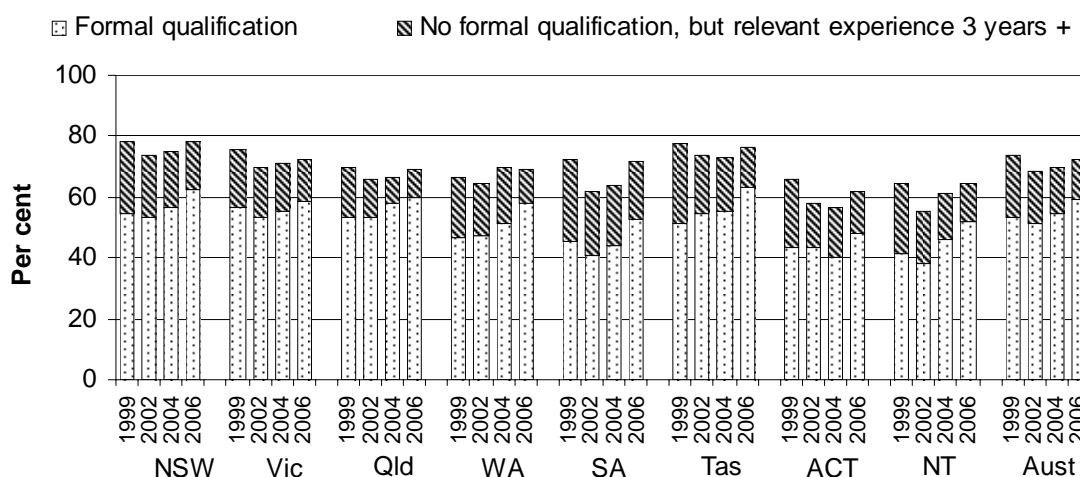
'Qualifications' in children's services is an indicator of governments' objective to ensure staff in government funded or provided children's services are able to provide services which meet the needs of children. In particular, this means ensuring staff have the training and experience to provide a safe and nurturing environment that fulfils the educational and development needs of children.

This indicator is defined as the proportion of primary contact staff with relevant formal qualifications or three or more years of relevant experience.

Some studies and research (for example, OECD 2006) have shown a link between a higher proportion of qualified and experienced primary contact staff and a higher quality service, suggesting that this is desirable.

Nationally, there were 85 102 primary contact staff employed in Australian Government approved child care in 2006 (table 3A.13). The proportion of primary contact staff with relevant formal qualifications or three or more years of relevant experience across jurisdictions over this period is reported in figure 3.10.

Figure 3.10 **Paid primary contact staff employed by Australian Government approved child care services, by qualification^{a, b, c, d}**

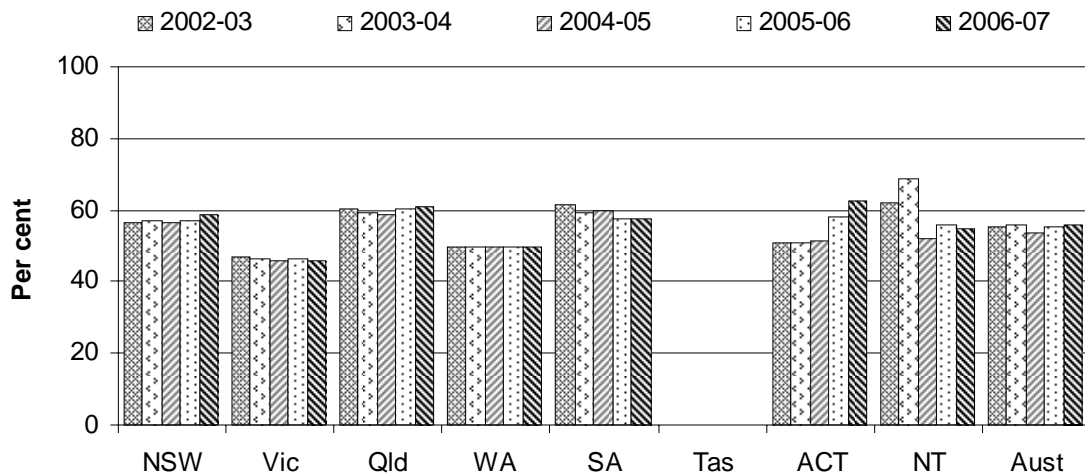


^a There may be double counting of staff where staff work in more than one centre. ^b The 'Three or more years relevant experience' category excludes staff with a relevant formal qualification. ^c Data for some years do not cover all services, which limits the comparability over time. ^d Data are estimated and weighted from the AGCCCS. Figures for 2006 are based on final data and differ from the preliminary numbers published in the 2007 Report.

Source: AGCCCS 1999, 2002, 2004 and 2006 (unpublished); table 3A.13.

Some data are available on the qualifications of staff employed by preschool services that received funding from State and Territory governments. The proportion of preschool primary contact staff with a relevant formal qualification is reported in figure 3.11.

Figure 3.11 Paid primary contact staff with a relevant formal qualification employed by State and Territory funded and/or managed preschools^{a, b, c, d}



^a All preschool services in NSW, Queensland, SA and the ACT must have at least two staff, of whom one must have a relevant formal qualification. ^b In Victoria, all preschool services must have at least two staff, of whom one must have a relevant early childhood teaching qualification. The percentage of qualified teachers is less than 50 per cent because a teacher may deliver a funded kindergarten program at more than one location. ^c In WA, all preschool teachers must have a formal qualification. The data assume that every teacher has an aide. Qualifications of aides are unknown and so reported as zero. ^d Data for Tasmania are not available, but all preschool teachers must have a formal qualification.

Source: State and Territory governments (unpublished); tables 3A.35, 3A.43, 3A.51, 3A.59, 3A.67, 3A.75, 3A.83 and 3A.91.

Ongoing staff development

Ongoing development of the skills and competencies of child care and preschool staff is another proxy indicator of staff quality (box 3.10).

Box 3.10 Ongoing staff development

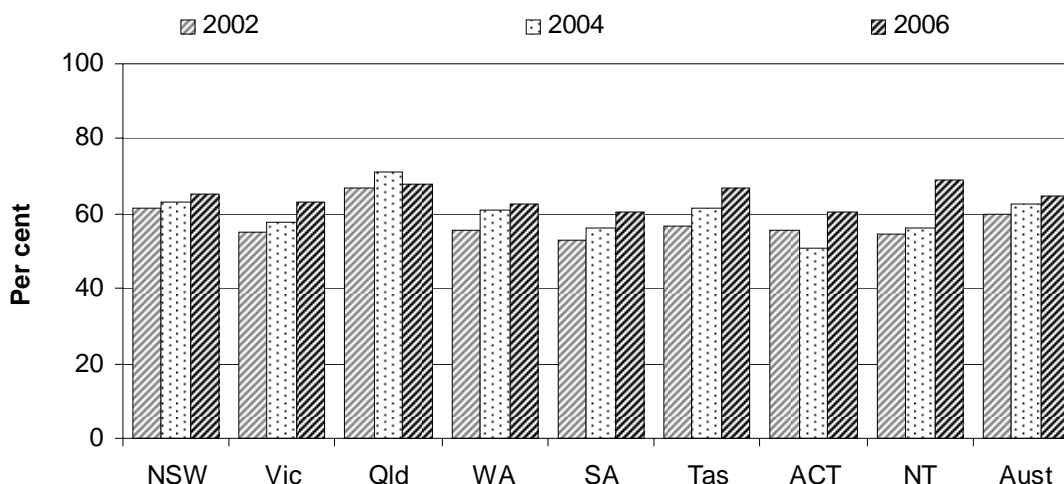
'Ongoing staff development' in children's services is an indicator of governments' objective to ensure staff in government funded or provided children's services are able to provide services that meet the needs of children. In particular, this means ensuring staff have the training and experience to provide a safe and nurturing environment that fulfils the educational and development needs of children.

This indicator is defined as the proportion of staff who undertook relevant in-service training in the previous 12 months.

A high rate of in-service training suggests a relatively high quality of service. This indicator does not provide information on whether the development undertaken by staff is adequate or sufficiently relevant to improve the quality of the service provided.

Nationally, 64.7 per cent of paid staff working in Australian Government approved child care services in 2006 undertook relevant in-service training in the previous 12 months (figure 3.12). Limited data are available on training by paid child care and preschool staff employed by State and Territory funded and/or managed service providers. NSW, Victoria, Queensland and the ACT were able to provide data on the proportion of preschool staff undertaking training in 2006-07 (tables 3A.35, 3A.43, 3A.51 and 3A.83).

Figure 3.12 Staff in Australian Government approved child care services who undertook relevant in-service training in previous 12 months^{a, b, c}



^a There may be double counting of staff where staff work in more than one centre. ^b Data for some years do not cover all services, which limits the comparability over time. ^c Data are estimated and weighted from the AGCCCS. Figures for 2006 are based on final data and differ from the preliminary numbers published in the 2007 Report.

Source: AGCCCS 2002, 2004 and 2006 (unpublished); table 3A.14.

Standards

The Australian Government and the State and Territory governments support the quality of care provided by children's services through:

- accreditation and licensing
- provision of curriculum and policy support and advice
- training and development of management and staff.

Standards — licensing

State and Territory governments are responsible for licensing children's services in their jurisdictions (box 3.11).

Box 3.11 Licensing

'Licensing' is an indicator of governments' objective to ensure government funded or provided children's services meet the minimum standards considered necessary to provide a safe and nurturing environment, and to meet the educational and development needs of children.

This indicator has been identified for development and reporting in future. Descriptive information is reported for some jurisdictions as an interim measure. This information includes the number of licensed services.

A higher proportion of licensed services may indicate a higher level of regulatory control over services.

This indicator does not provide information on the degree to which licensing translates into higher quality service outcomes above the minimum standards of care. State and Territory governments also undertake other activities aimed at the promotion of quality, such as publishing curriculum materials and other resources, and undertaking consumer education.

State and Territory licensing requirements establish the foundations for quality of care by stipulating enforceable standards to support the health, safety, welfare and development needs of children in formal child care settings. Accreditation of services is built on this platform.

Licensed children's services may include centre-based long day care, occasional care, preschools, family day care services and outside school hours care. Australian, State and Territory governments have developed national standards for centre-based long day care, family day care services and outside school hours care. The extent of implementation of these standards varies across Australia.

The service models covered by legislation vary across jurisdictions (table 3.5).

Table 3.5 State and Territory licensing of children's services, 2007^a

<i>Service model</i>	<i>NSW</i>	<i>Vic</i>	<i>Qld</i>	<i>WA</i>	<i>SA</i>	<i>Tas</i>	<i>ACT</i>	<i>NT</i>
Centre-based long day care	L	L	L	L	L	L	L	L
Occasional care	L	L	L	L	G/L	L	L	L
Family day care schemes/agencies ^b	L	X	L	X	G/L	L	L	X
Family day care carers	R	X	R	L	R	R	X	X
Outside school-hours care	R	X	L	L	R	L	L	X
Home-based care	L	X	X	X	L	L	X	X
Other care ^c	X	X	X	X	X	L	L	X
Preschool/kindergarten ^d	L/G	L	L/G	G	G	G/R	L	G

^a Children's services are regulated in accordance with the requirements of the relevant legislation in each jurisdiction. ^b WA licenses individual carers, regardless of whether they belong to a scheme, but schemes are not licensed. ^c In this table, 'other care' refers to all other government regulated care, for example, nannies, playschools and in-home care. ^d NSW is working towards regulation of school-based services. The NSW Department of Education and Training provides preschools in 100 government schools. In Tasmania, kindergartens not in government schools are registered with the Schools Registration Board.

L = Services require a licence to operate. **R** = Services require registration or approval to operate. **G** = Services are provided by State/Territory Governments. **X** = Services do not require licence, registration or approval to operate, but may be required to meet regulatory standards.

Source: State and Territory governments (unpublished).

Standards — monitoring and inspection regimes

All states and territories monitor performance against the standards set for children's services, in order to ensure that high quality services are delivered to the community. Table 3.6 provides an overview of the monitoring and inspection regimes that operate in the jurisdictions.

Table 3.6 shows that there are broad commonalities in the monitoring and inspection regimes across jurisdictions. However, there is variability in the recording of breaches and a variety of penalties applied for breaches. This has hindered the reporting of comparable data across jurisdictions for monitoring and inspection.

Table 3.6 State and Territory monitoring and inspection regimes, for licensed children's services 2006-07

<i>Monitoring activities</i>	<i>NSW</i>	<i>Vic</i>	<i>Qld^a</i>	<i>WA</i>	<i>SA</i>	<i>Tas</i>	<i>ACT</i>	<i>NT</i>
<i>Proactive monitoring:^b</i>	✓	✓	✓	✓	✓	✓	✓	✓
Required frequency of inspections ^c	Annual	Annual	Biannual	At least once per licence period (3 years)	At least once a year	Quarter	Quarter	Biannual
Estimated share announced visits ^d	75%	6%	46%	80%	70%	99%	60%	80%
Estimated share unannounced inspections ^e	25%	94%	54%	20%	30%	1%	40%	20%
<i>Reactive monitoring:^f</i>	✓	✓	✓	✓	✓	✓	✓	✓
Data provided on substantiated breaches arising from complaints ^g	x	✓	x	✓	x	✓	✓	✓
<i>Sanctions for breaches:^h</i>	✓	✓	✓	✓	✓	✓	✓	✓
Under-performing services incur follow-up or more frequent inspections	✓	✓	✓	✓	✓	✓	✓	✓
Number of prosecutions initiated against services during 2006-07 ⁱ	–	2	–	1	–	–	–	–

^a Information for Queensland excludes State and non-State preschools, but includes kindergartens.

^b 'Proactive monitoring' refers to the ongoing program of visits/inspections to services that are determined by legislation and/or the monitoring policies in each jurisdiction. ^c In WA, from July 2007, licensed services receive an annual visit. During the first two years of the licence period, these visits are unannounced. The licence renewal visit in the third year is an announced visit. In SA, the required frequency of inspections is dependent on the type of licensed service. ^d Announced visits are scheduled with the service provider, and include, but are not limited to, consultative and advisory meetings. ^e Unannounced inspections of services are used to assess performance against licence conditions, including, but not limited to, investigations of complaints. Unannounced inspections allow the operation of the service to be monitored under normal operational circumstances. ^f A 'reactive monitoring' regime may be triggered by either a complaint or a service's failure to comply with legislative requirements. ^g See detailed data in attachment tables 3A.46, 3A.62, 3A.78, 3A.86 and 3A.94. ^h Jurisdictions may apply a wide range of actions to underperforming services. These actions may include administrative and/or statutory sanctions, including prosecution. Not all sanctions are included in this table. ⁱ 'Prosecutions' refer to all prosecutions against services that are brought under the relevant children's services Act in each jurisdiction. – Nil or rounded to zero.

Source: State and Territory governments (unpublished).

Standards — accredited child care services

Accreditation of child care services is an indicator of quality. The NCAC administers quality assurance systems for centre-based long day care, family day care schemes and outside school hours care services across Australia (box 3.12).

Box 3.12 Accredited child care services

'Accredited child care services' is an indicator of the Australian Government's objective to ensure government funded or provided child care services meet the standards considered necessary to provide a safe and nurturing environment, and to meet the educational and development needs of children. Accredited services have been independently evaluated against a series of national quality standards for the specific child care service model.

This indicator is defined as the number of child care services that are accredited by NCAC as a proportion of services fully assessed. Data are reported separately for centre-based long day care services, family day care schemes and outside school hours care services.

A higher proportion of services that have been accredited is more desirable.

This indicator does not provide information on the degree to which accreditation translates into higher quality service outcomes.

To become accredited under NCAC quality assurance systems, service providers are required to achieve and maintain the quality standards set out for each service model. NCAC has developed the following standards:

- the Quality Improvement and Accreditation System (QIAS) for centre-based long day care
- Family Day Care Quality Assurance (FDCQA) for family day care schemes
- Outside School Hours Care Quality Assurance (OSHCQA) for outside school hours care services.

The standards include the expected performance against a variety of 'quality areas', depending on the service model. For example, the QIAS details centre-based long day care performance against the following seven 'quality areas':

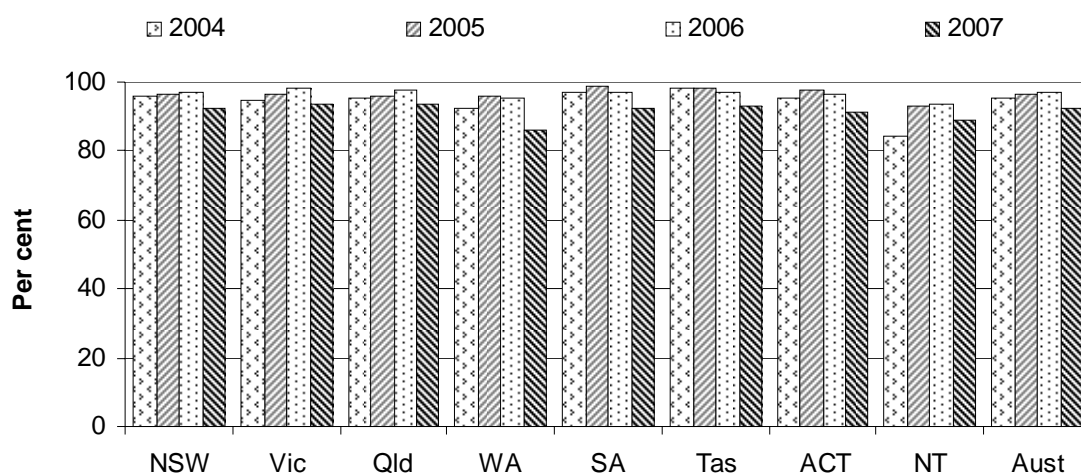
- staff relationships with children and peers
- partnerships with families
- programming and evaluation
- children's experiences and learning
- protective care and safety
- health, nutrition and wellbeing
- managing to support quality.

The NCAC accreditation systems are Australian Government initiatives where successful participation is required to allow child care services to offer CCB fee

reduction to parents. All centre-based long day child care services are required to participate in the QIAS to be eligible for approval for CCB purposes, and the majority of centre-based long day child care services participate.

Nationally, of the 5360 centres registered to participate in the QIAS at 30 June 2007, 4556 centres had received an accreditation decision (table 3A.2). Of the centres assessed, 92.4 per cent (4208 centres) were successful in achieving accreditation (figure 3.13). The centres that do not meet accreditation standards (348 centres) are required to submit another self study report to NCAC within six months of the date of NCAC's accreditation decision. At 30 June 2007, a further 804 centres (15.0 per cent of those registered to participate in QIAS) were in self-study, review or moderation, or awaiting an accreditation decision (table 3A.2).

Figure 3.13 **Accredited centres as a proportion of centres fully assessed under the Quality Improvement and Accreditation System^{a, b, c}**



^a Data as at 30 June in each year. Figures may change daily and are updated every six weeks following an NCAC meeting. ^b Results for Tasmania, the ACT and the NT may be unduly influenced by the relatively small number of services (74, 91 and 53 respectively at 30 June 2007) participating in the process. ^c The decrease in services accredited under QIAS between 2006 and 2007 is a result of revised standards which came into effect in January 2005.

Source: NCAC (unpublished); table 3A.2.

Nationally, 326 family day care schemes were registered with NCAC at 30 June 2007. Of these, 307 schemes had received an accreditation decision. Of the schemes assessed, 89.3 per cent (274 services) were accredited. Thirty-three schemes were not accredited and 19 were in self-study, validation or moderation, or awaiting an accreditation decision (table 3A.2).

At 30 June 2007, there were 3212 outside school hours care services registered to participate in OSHCQA (table 3A.2). Of the 2405 services that had received an accreditation decision at 30 June 2007, 86.5 per cent (2080 services) were

successful in achieving accreditation. A further 807 services were in self-study, validation or moderation, or awaiting an accreditation decision (table 3A.2).

Health and safety — health and safety quality

‘Health and safety quality’ is an indicator of children’s services’ success in providing a safe environment (box 3.13).

Box 3.13 Health and safety quality

‘Health and safety quality’ in children’s services is an indicator of governments’ objective to ensure children’s services meet the care, educational and development needs of children in a safe and nurturing environment.

This indicator has one measure for family day care, defined as:

- the proportion of family day care schemes that achieved satisfactory or above ratings for the NCAC health, hygiene, nutrition, safety and wellbeing quality area.

This indicator has two measures for long day care, defined as:

- the proportion of long day care centres that achieved satisfactory or above ratings for the NCAC protective care and safety quality area
- the proportion of long day care centres that achieved satisfactory or above ratings for the NCAC health, nutrition and wellbeing quality area.

A lower proportion of centres receiving satisfactory or above ratings does not provide information on the actual health and safety of children in these centres. All else being equal, a higher proportion for the above measures may indicate that children’s services are meeting the needs of children in a safe and nurturing environment.

Data for this indicator were obtained from the NCAC. The following points should be noted in interpreting health and safety quality:

- Data presented cover family day care schemes and long day care centres.
- Data do not include preschool/kindergarten services, as NCAC assessments are limited to child care services.
- Data are only presented for those services that have undergone accreditation in the 12 month reporting period (services are only accredited once during any 2.5 year period).

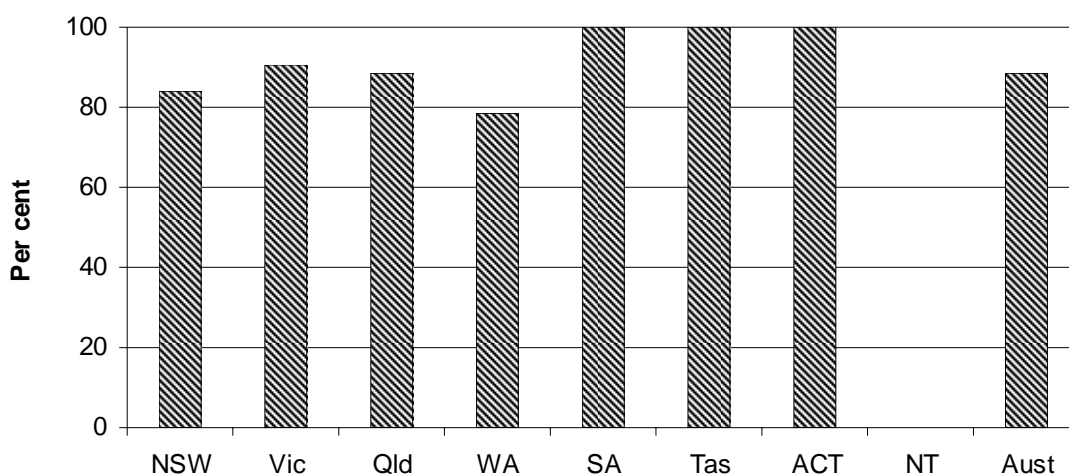
For family day care, the quality area ‘health, hygiene, nutrition, safety and wellbeing’ includes the following principles for which an assessment is made:

- the environments provided for children are safe
- food and drink are nutritious and culturally appropriate

- the health and safety of all children are protected
- nappy changing, toileting and bathing are positive experiences for children
- children’s needs for rest, sleep and comfort are supported
- current State or Territory legislation relating to child protection and wellbeing is implemented consistently.

Nationally, in 2006-07, 88.3 per cent of family day care schemes achieved satisfactory or above ratings for the NCAC ‘health, hygiene, nutrition, safety and wellbeing’ quality area (figure 3.14). Data are withheld for the NT due to the small number of accreditation decisions made in the period.

Figure 3.14 Proportion of family day care schemes that achieved satisfactory or above ratings for NCAC health, hygiene, nutrition, safety and wellbeing quality area, 2006-07^{a, b}



^a Data are only presented for those services that have undergone accreditation in the 12 month reporting period (services are only accredited once during any 2.5 year period). ^b Data are withheld for the NT due to the small number of accreditation decisions made in the period. The Australian totals for family day care do not include the NT data.

Source: NCAC (unpublished); table 3A.30.

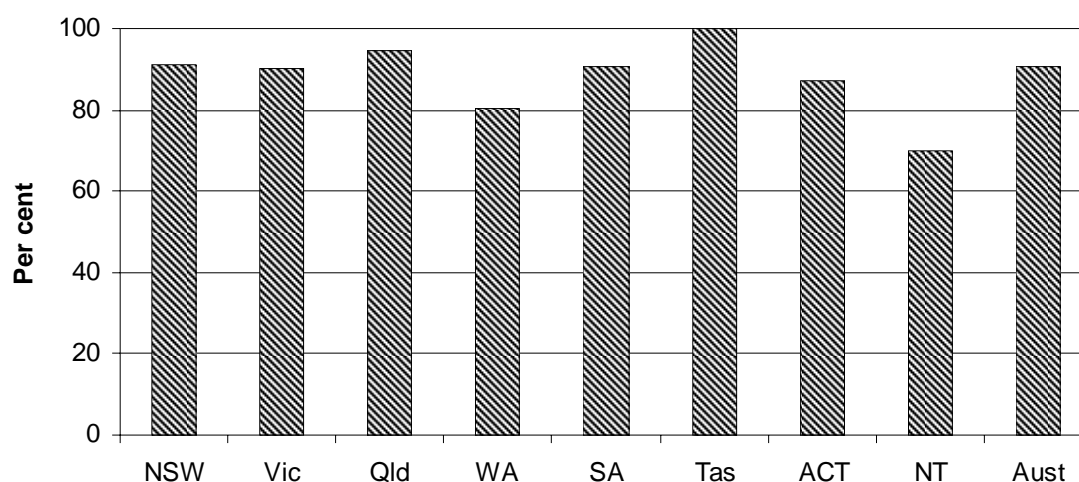
For long day care, the quality area ‘protective care and safety’ includes the following principles for which an assessment is made:

- staff act to protect each child
- staff supervise children at all times
- staff ensure that potentially dangerous products, plants and objects are inaccessible to children
- the centre ensures that buildings and equipment are safe

- the centre promotes occupational health and safety.

Nationally, in 2006-07, 90.7 per cent of long day care centres achieved satisfactory or above ratings for the NCAC 'protective care and safety' quality area (figure 3.15).

Figure 3.15 Proportion of long day care centres that achieved satisfactory or above ratings for NCAC protective care and safety quality area, 2006-07^a



^a Data are only presented for those services that have undergone accreditation in the 12 month reporting period (services are only accredited once during any 2.5 year period).

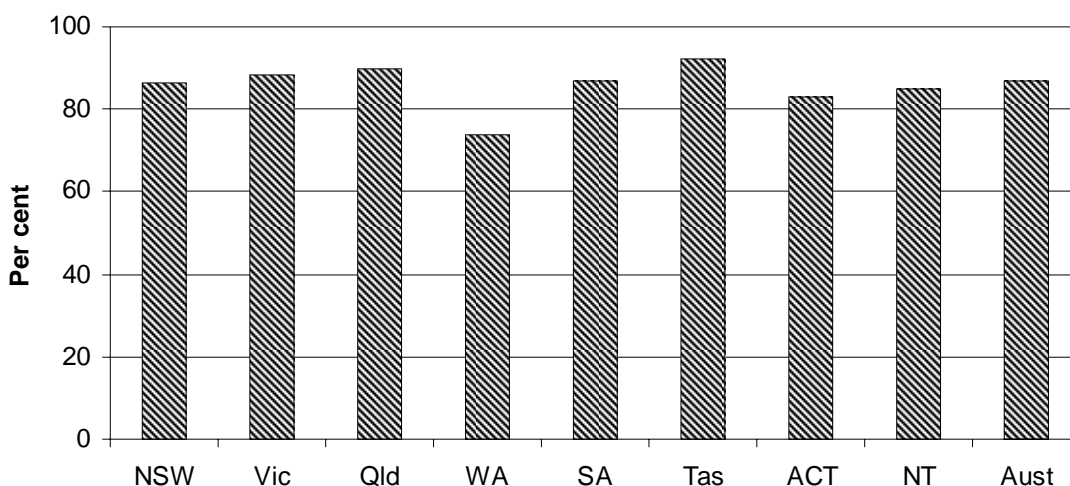
Source: NCAC (unpublished); table 3A.30.

For long day care, the quality area 'health, nutrition and wellbeing' includes the following principles for which an assessment is made:

- staff promote healthy eating habits
- staff implement effective and current food safety and hygiene practices
- staff encourage children to follow simple rules of hygiene
- staff ensure toileting and nappy changing procedures are positive experiences
- staff support each child's needs for rest, sleep and comfort
- the centre acts to control the spread of infectious diseases and maintains records of immunisations.

Nationally, in 2006-07, 86.7 per cent of long day care centres achieved satisfactory or above ratings for the NCAC 'health, nutrition and wellbeing' quality area (figure 3.16).

Figure 3.16 **Proportion of long day care centres that achieved satisfactory or above ratings for NCAC health, nutrition and wellbeing quality area, 2006-07^a**



^a Data are only presented for those services that have undergone accreditation in the 12 month reporting period (services are only accredited once during any 2.5 year period).

Source: NCAC (unpublished); table 3A.30.

Health and safety — hospitalisations for external causes of injury occurring in children's services

'Hospital separations for external causes of injury' is a proxy indicator of children's services' success in providing a safe environment (box 3.14).

Box 3.14 Hospital separations for external causes of injury

'Hospital separations for external causes of injury' is a proxy indicator of governments' objective to ensure that children's services meet the care, educational and developmental needs of children in a safe and nurturing environment.

This indicator is defined as the number of hospital separations for children aged 0–4 years resulting from an external cause of injury occurring in 'school' expressed as a proportion of total hospital separations for children aged 0–4 years resulting from an external cause of injury.

Low or decreasing hospitalisations for external causes of injury for children aged 0–4 years occurring in a 'school' may indicate better performance towards achieving the objective of providing the care, educational and development needs of children in a safe and nurturing environment.

(Continued on next page)

Box 3.14 (Continued)

Limiting the data to children aged 0–4 reduces the likelihood that the ‘school’ place of occurrence includes children in full time compulsory schooling, which children generally attend when they are 5 years old or more. For children in the older age group it is not possible to separate injuries that occur in a children’s service from those that occur in a full time formal school setting, and so they are excluded from the indicator.

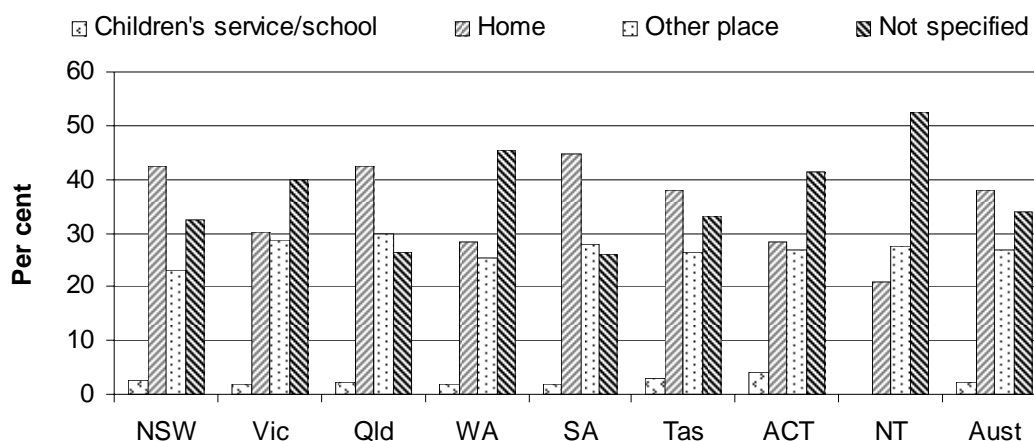
For children aged 0–4 years, the term ‘school’ incorporates a range of formal children’s services settings including kindergarten, preschool and centre-based child care services. The data may capture children who were injured at these services without necessarily attending them. Family day care services, which are typically provided in the carer’s home, are not likely to be covered by this term. External cause refers to the environmental event, circumstance or condition that causes the injury. Persons admitted to hospital as a result of a pre-existing illness or condition (such as asthma), are excluded.

All hospital separation data need to be interpreted with care. Nationally, no place of occurrence was reported for 33.8 per cent of hospitalisations of children aged 0–4 years in 2005-06 (table 3A.29). As a result, this indicator should be interpreted as the minimum number of hospital separations for an external cause of injury that occurred in children’s services.

In 2005-06, there were 29 793 injuries to children aged 0–4 years that resulted in a hospital admission in Australia (table 3A.29). Males accounted for approximately 57.5 per cent of these admissions. In total, the most common causes of injury to children aged 0–4 years were falls (28.4 per cent), exposure to mechanical forces (21.1 per cent) and complications of medical and surgical care (19.6 per cent). (Australian Institute of Health and Welfare (AIHW) unpublished). Males and females generally experienced similar causes of injury.

Nationally, in 2005-06, 38.0 per cent of injuries requiring hospitalisation occurred in the child’s home. This reflects the fact that children in this age group spend the majority of their time in the home and about half do not attend formal care. Across available jurisdictions, on average 1.7 to 4.1 per cent of injuries were reported as occurring at a ‘school’ (which includes day nursery, centre-based child care, and public or private kindergartens and preschools) (figure 3.17).

Figure 3.17 **Hospital separations for external causes of injury for children aged 0–4 years, proportion by place of occurrence, 2005-06** ^{a, b, c, d, e}



^a External cause refers to the environmental event, circumstance or condition that causes the injury. People admitted to hospital as a result of a pre-existing existing illness or condition, such as asthma, are excluded. ^b A hospital separation is an episode of care for a person admitted to a hospital. ^c Separations without an external cause and those for which care type was reported as newborn with no qualified days, and records for hospital boarders or posthumous organ procurement are excluded. ^d Data are withheld for injuries occurring in 'children's services/school' in the NT due to the small number of injuries reported. The data presented for Australia does not include NT. ^e Due to the high levels of non-reporting for place of occurrence, all hospital separations data need to be interpreted with care.

Source: AIHW Australian Hospital Statistics 2005-06 (unpublished); table 3A.29.

Client satisfaction — substantiated breaches arising from complaints

'Substantiated breaches arising from complaints' is an indicator of community satisfaction with children's services (box 3.15). Breaches identified as a result of normal monitoring and inspection visits are excluded from these data.

Box 3.15 Substantiated breaches arising from complaints

‘Substantiated breaches arising from complaints’ is an indicator of governments’ objective to ensure government funded or provided children’s services meet the needs and expectations of users.

This indicator is defined as the number of substantiated breaches arising from complaints divided by the total number of registered or licensed services. Results are presented by service model. Data on the proportion of substantiated breaches arising from complaints against which action was taken are also reported.

A higher rate of complaints does not provide information on whether a jurisdiction has lower service safety and quality, or a more effective reporting and monitoring regime. All else being equal, a higher rate of breaches arising from complaints may suggest a lower quality service.

Complaints data need to be interpreted with care, because:

- clients who are well informed may be more likely to make a complaint than are clients without access to this information. Some jurisdictions give priority to developing client groups who are well informed, as part of improving their service delivery
- the number of approved care providers or parent users per service differs in each service across states and territories
- complaints management systems vary across jurisdictions.

Breaches of legislation, regulations or conditions vary in circumstance and severity. Some breaches can have serious implications for the quality of care provided to children (such as requirements to undertake criminal record checks for staff and requirements to install smoke detectors). Other breaches do not necessarily directly affect the quality of care (such as requirements to display licensing information). Similarly, action taken by regulatory authorities in response to a breach can range from a requirement to comply within a specified time frame through to licensing action or prosecution.

Victoria, WA, Tasmania, the ACT and the NT provided data on the number of substantiated breaches arising from complaints and allegations of regulation breaches made to the State and Territory government regulatory bodies in 2006-07 (tables 3A.46, 3A.62, 3A.78, 3A.86 and 3A.94).

Efficiency

Differences in reported efficiency results across jurisdictions may reflect differences in counting and reporting rules for financial data and in reported expenditure, which

are partly due to different treatments of various expenditure items. Information on the comparability of the expenditure is shown in table 3A.6.

Inputs per output unit — total government expenditure (dollars per child)

Total government expenditure (Australian Government and State and Territory government) on children's services per child aged 0–12 years in Australia is a proxy indicator of efficiency (box 3.16).

Box 3.16 Total government expenditure

'Total government expenditure' per child is an indicator of governments' objective to maximise the availability and quality of services through the efficient use of taxpayer resources.

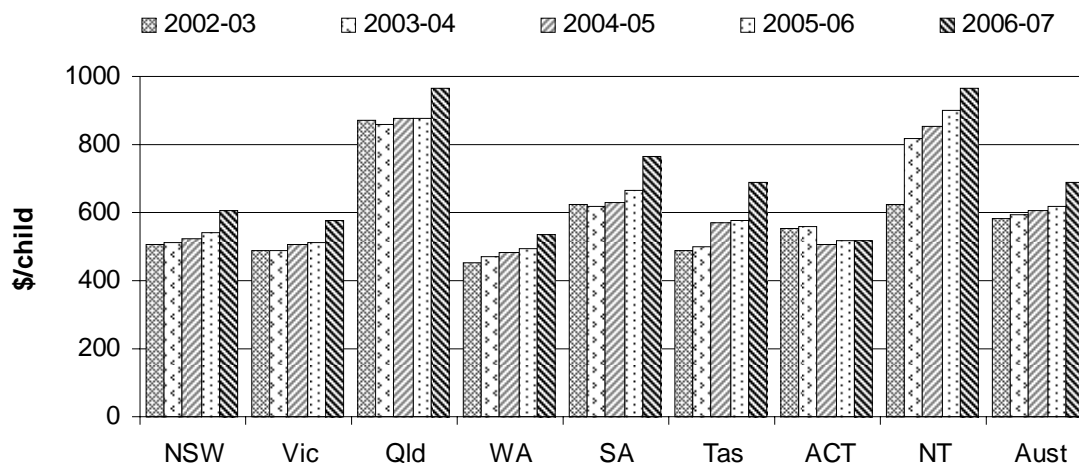
This indicator is defined as Australian Government expenditure and State and Territory government expenditure on children's services per child aged 0–12 years in Australia. All Australian Government expenditure reported for this indicator is provided for child care services, whereas State and Territory government expenditure covers both child care and preschool services.

Expenditure data per child is reported separately for the Australian Government and State and Territory government, as well as a combined expenditure figure per child.

All efficiency data need to be interpreted with care. Changes in expenditure per child could represent changes in government funding policy. While high or increasing unit costs may reflect deteriorating efficiency, they may also reflect increases in the quality or quantity of service provided. Similarly, low or declining expenditure per child may reflect improving efficiency or lower quality or quantity. Provided the level and quality of, and access to, services remains unchanged, lower expenditure per child can indicate greater efficiency of government expenditure.

After adjusting for inflation to calculate the 'real' value of expenditure in previous years, Australian Government expenditure on children's services per child at a national level increased by 18.4 per cent between 2002-03 and 2006-07 (figure 3.18).

Figure 3.18 Australian Government real expenditure on children’s services per child aged 0–12 (2006-07 dollars)^{a, b, c}



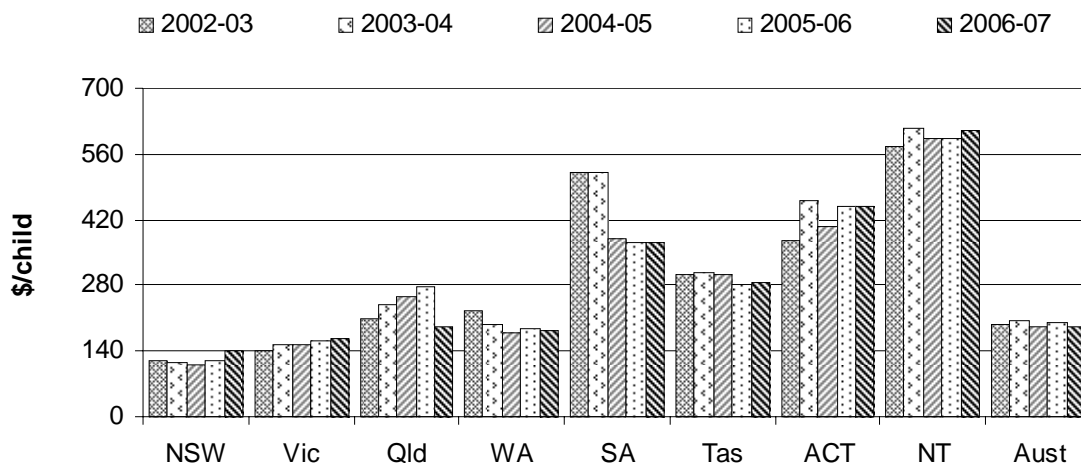
^a Includes administration expenditure, other expenditure on service provision, financial support to families and net capital expenditure on child care services. ^b The Australian total includes a component of expenditure that cannot be disaggregated by State and Territory. ^c Expenditure for 2006-07 includes Child Care Tax Rebate (CCTR) paid to 28 October 2007. Previously, CCTR was paid as a rebate through the tax system.

Source: FaCSIA (unpublished); ABS *Population Projections, Australia 2004 to 2101* (data cube); table 3A.22.

Data were sought from all State and Territory governments on their expenditure by service model. Incomplete data, differing collection methods and changes to policies, make it difficult to compare expenditure across jurisdictions and over time. Unit cost data for children’s services do not yet contain an estimate of user cost of capital.

After adjusting for inflation to calculate the ‘real’ value of expenditure in previous years, State and Territory government expenditure on children’s services at a national level has remained relatively steady at around \$195 per child between 2002-03 and 2006-07. The apparent drop in Queensland expenditure per child between 2005-06 and 2006-07 is due to only six months’ worth of expenditure data on State preschools being included in this year’s Report. This is due to the cessation of State preschools in December 2006 and the introduction of the Preparatory Year in schools from January 2007 (figure 3.19).

Figure 3.19 State and Territory government real expenditure on children's services per child aged 0–12 (2006-07 dollars)^{a, b, c}

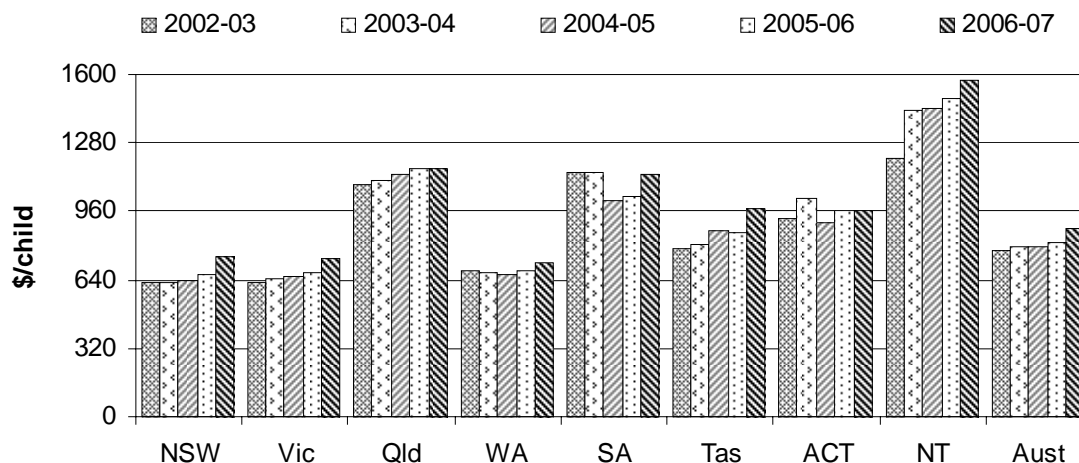


^a Includes administration expenditure, other expenditure on service provision, financial support to families, and net capital expenditure on child care and preschool services. ^b The apparent drop in Queensland expenditure per child between 2005-06 and 2006-07 is due to only six months' worth of expenditure data on State preschools being included in this year's Report. ^c The decrease in SA expenditure per child aged 0–12 years from 2004-05 is due to the exclusion of all Australian Government contributions, which SA currently administers, from the total State/Territory real expenditure on children's services.

Source: State and Territory governments (unpublished); ABS *Population Projections, Australia 2004 to 2101* (data cube); table 3A.23.

Figure 3.20 shows the combined expenditure from both the Australian Government and the State and Territory governments per child aged 0–12 years over the period 2002-03 to 2006-07.

Figure 3.20 **Total government real expenditure on children's services per child aged 0–12 (2006-07 dollars)^{a, b}**



^a Includes administration expenditure, other expenditure on service provision, financial support to families, and net capital expenditure on child care and preschool services from both Australian Government (for child care services only) and State and Territory governments (for child care services and preschool services).

^b See notes to figures 3.18 and 3.19 for further detail on the Australian Government's and State and Territory governments' expenditure data.

Source: FaCSIA (unpublished); State and Territory governments (unpublished); *Population Projections, Australia 2004 to 2101* (data cube); tables 3A.22, 3A.23.

Outcomes

Outcomes are the impact of services on the status of an individual or group (while outputs are the actual services delivered) (see chapter 1, section 1.5).

Family needs

'Family needs' is an indicator of the outcomes of children's services (box 3.17).

Box 3.17 Family needs

'Family needs' in children's services is an indicator of governments' objective for children's services to provide support for families in caring for their children, to allow the needs of the family to be met. One such need is to participate in the labour force without child care being a barrier to this participation.

Development is underway to investigate indicators and associated measures for 'family needs'.

Demand for (additional) child care

‘Demand for additional child care services’ is an indicator of the success of children’s services in meeting the needs of the community (box 3.18).

Box 3.18 Demand for (additional) child care

‘Demand for (additional) child care’ is an indicator of governments’ objective to ensure children’s services meet the requirements of all Australian families. Expressed need for child care indicates the extent to which children’s services are not meeting demand by families.

The current indicator is defined as the proportion of children aged under 12 years for whom additional services were required in the four weeks before the survey interview.

A lower proportion of children for whom additional services were required indicates demand by families is being met to a greater extent. This indicator has some limitations as a measure of unmet demand. The focus on the four-week period before the survey interview excludes families who may desire additional childcare on a more permanent, or ongoing, basis.

Data for this indicator were obtained from the ABS 2005 *Child Care Survey*. Box 3.19 includes further information about the 2005 survey.

Box 3.19 ABS Child Care Survey

The ABS Child Care Survey is conducted every three years throughout Australia, as a supplement to the Labour Force Survey. The latest survey was conducted in June 2005.

Information was collected in relation to children aged 0–12 years living in a sample of private dwellings (in previous surveys, the age group covered was children aged 0–11 years). In each selected household, detailed information about each child's child care was collected for a maximum of two children. Data were collected for approximately 10 200 children in total.

The survey included information about whether parents' needs for child care were met. Those families not already using child care or preschool services were asked whether there was any time in the previous four weeks when they wanted to use any child care or preschool services for their child but did not. Those families already using child care or preschool services were asked a similar question to determine whether they had wanted to use any more services in the previous four weeks.

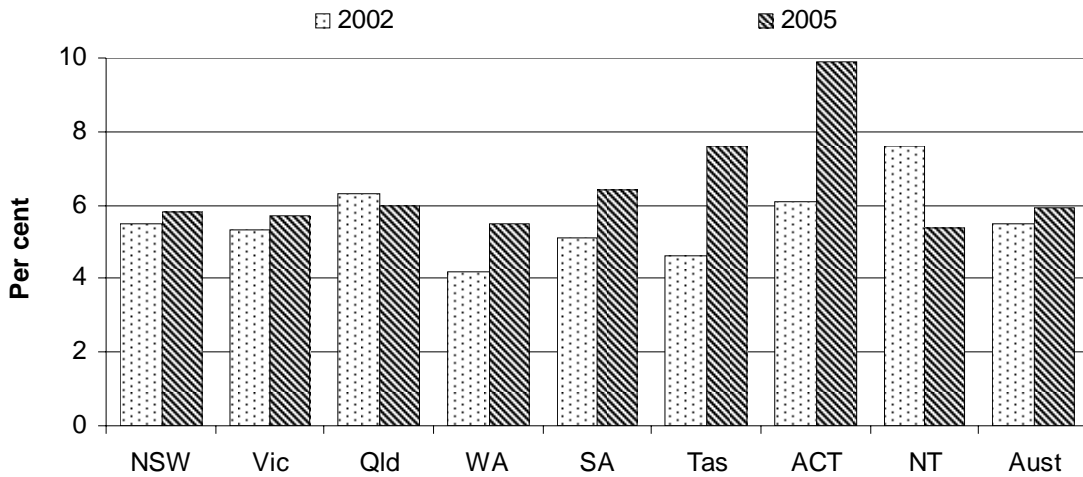
Estimates from the surveys are subject to sampling variability. They may differ from estimates that would have been produced by a census. Estimates for the smaller jurisdictions are based on small sample sizes and, consequently, are subject to high sampling error. Data for Tasmania, the ACT and the NT, in particular, need to be interpreted with caution.

Aggregated survey data also need to be interpreted with care generally, because over and undersupply of child care places can be specific to particular areas, including small and remote communities. Further, the data will not reflect changes in population in some areas since June 2005.

The ABS is redeveloping the Child Care Survey topic to include a new topic on Early Years Learning. These topics will be integrated into the 2008 Childhood Education and Care Survey.

Nationally, no additional child care or preschool services were required in the previous four weeks for the majority (94.1 per cent) of children aged under 12 years in 2005. This figure has remained relatively steady since 2002, when 94.5 per cent did not require additional services in the previous four weeks (figure 3.21). In 2005, additional child care services were required for approximately 184 500 children aged under 12 years. A further 4100 children aged under 12 years required additional preschool services in the previous four weeks (table 3A.25).

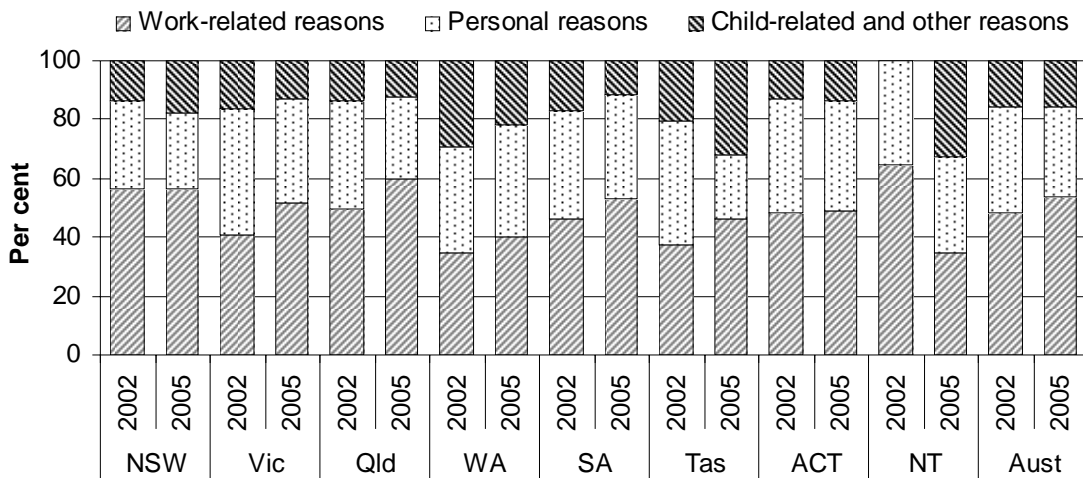
Figure 3.21 Proportion of children aged under 12 years for whom additional formal child care was required, 2002, 2005^a



^a Estimates for the smaller jurisdictions are based on small sample sizes and, consequently, are subject to high sampling error. Data for Tasmania, the ACT and the NT, in particular, need to be interpreted with caution. Source: ABS (2002, 2005) Child Care Survey (unpublished); table 3A.24.

Nationally, work-related reasons were most commonly cited for needing additional formal care in 2005 (53.7 per cent of children aged 0–11 years in 2005 compared with 48.4 per cent in 2002). Personal reasons for needing additional formal care were reported for 30.5 per cent of children aged 0–11 years in 2005, compared with 35.8 per cent in 2002. The category ‘child-related and other reasons’ was steady, reported for 15.8 per cent of children in both 2002 and 2005 (figure 3.22).

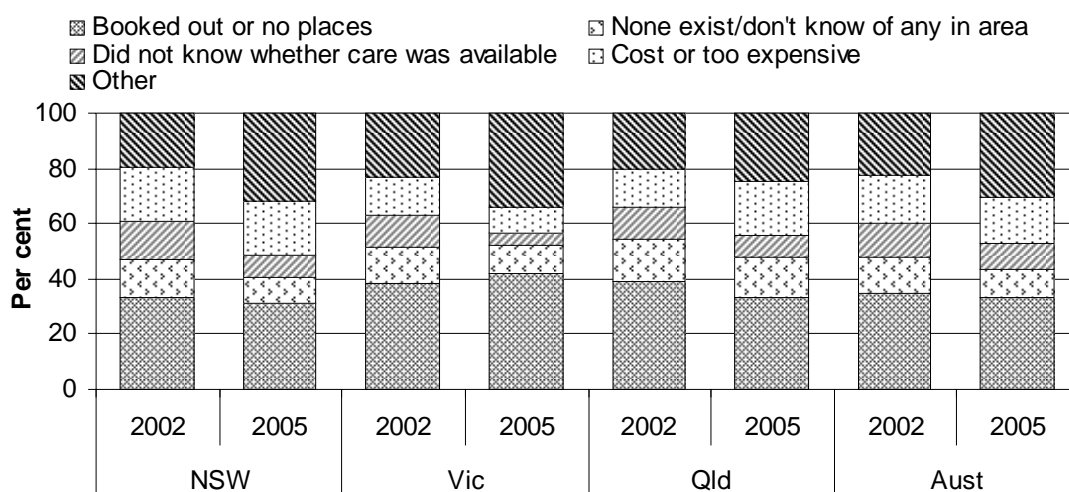
Figure 3.22 Children aged under 12 years who required additional child care services by main reason required, 2002, 2005^a



^a Estimates are based on small sample sizes and, consequently, are subject to high sampling error. Data for Tasmania, the ACT and the NT, in particular, need to be interpreted with caution. Source: ABS (2002, 2005) Child Care Survey (unpublished); table 3A.25.

Parents who required additional child care services in the past 4 weeks, but were unable to access extra services, were asked about the barriers to access. The most commonly cited reason for not using the additional services required in the previous four weeks was a lack of available places ('booked out or no places') (table 3A.26). In 2005, this reason was reported for 33.6 per cent of children aged 0–11 years, a similar proportion to 2002 (34.8 per cent). 'No services exist/don't know of any in area' was reported for 9.9 per cent of children, compared with 12.9 per cent in 2002. 'Did not know whether care was available' was reported for 9.4 per cent of children in 2005, compared with 12.4 per cent in 2002. The cost of services was given as the reason for not using the additional services required in the previous four weeks for 16.4 per cent of cases in 2005, similar to 17.3 per cent in 2002 (figure 3.23).

Figure 3.23 Children aged under 12 years by main reason additional child care services not used, 2002, 2005^{a, b}



^a Due to the high sampling error for some categories, data for WA, SA, Tasmania, the ACT and the NT were suppressed. They are included in the Australian total. ^b 'Other' includes 'other service related' reasons, 'child-related' reasons and 'other' reasons why additional services were not used.

Source: ABS (2002, 2005) *Child Care Survey* (unpublished); table 3A.26.

Out-of-pocket costs

'Out-of-pocket costs' of child care is an indicator of the affordability and accessibility of child care services (box 3.20).

Box 3.20 Out-of-pocket costs

'Out-of-pocket costs' is an indicator of governments' objective that all Australian families have equitable access to children's services regardless of their financial circumstances.

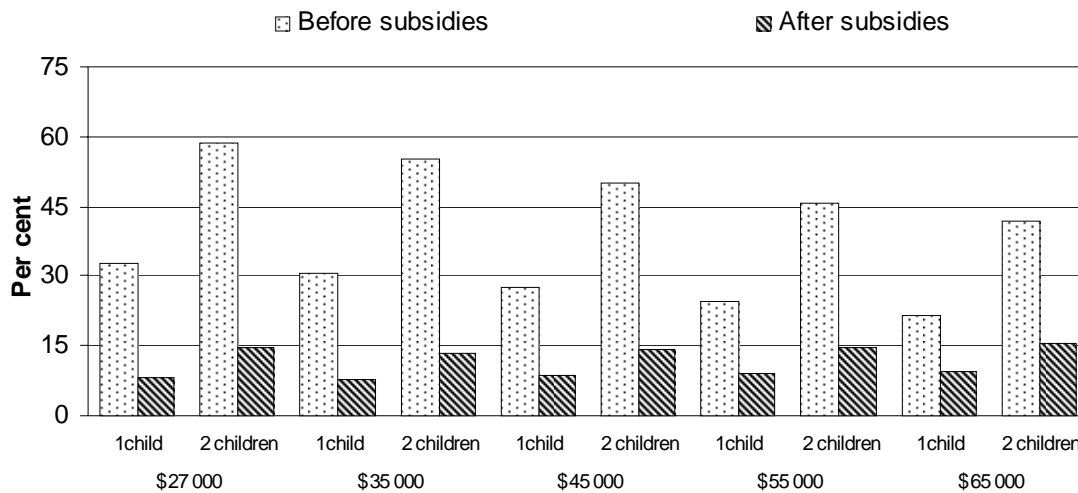
The indicator is defined as the proportion of weekly disposable income that representative families spend on child care services before and after the payment of child care subsidies. Data are estimated for families with a 60:40 income split and gross annual income of \$27 000, \$35 000, \$45 000, \$55 000 and \$65 000. Families are assumed to have either one or two children who attend full time care (equal to 50 hours per child per week) in centre-based long day care and family day care.

Lower out-of-pocket costs for child care as a proportion of weekly disposable income (after child care subsidies) represents more affordable child care. Similar percentages across income groups suggest a more equitable outcome.

Care needs to be exercised when interpreting results, because a variety of factors may influence child care fees.

Out-of-pocket costs as a proportion of weekly family income in 2006 were much more similar across income bands after subsidies were taken into account (figure 3.24).

Figure 3.24 Out-of-pocket costs of child care for families with children in full time centre-based long day care, as a proportion of weekly disposable income, by gross annual family income, 2006^{a, b, c}

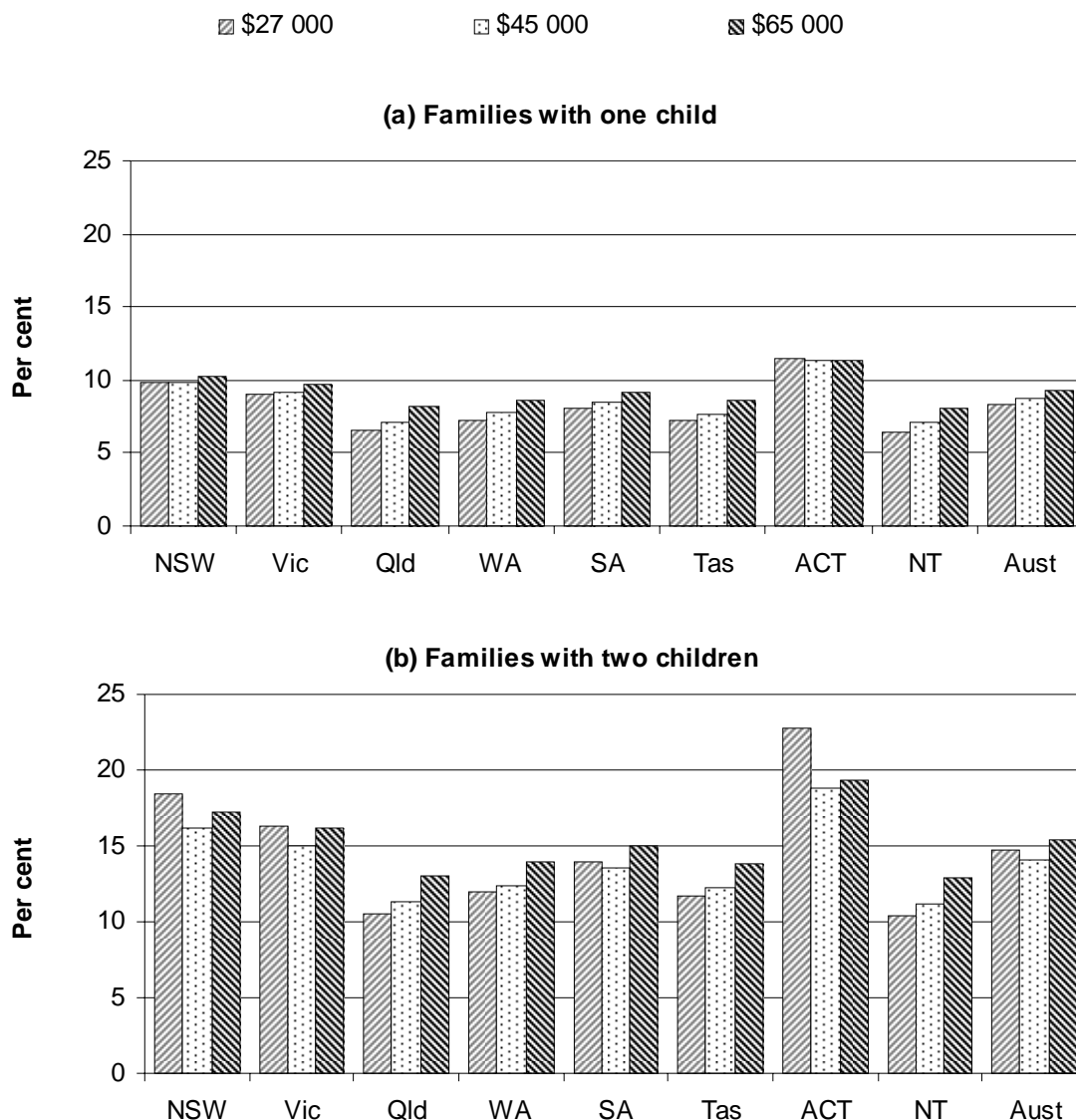


^a Disposable income calculations are based on 20 March 2006 social security rates, taxation parameters and non-child care benefits, rebates and Medicare. Calculations are modelled on dual income couple families (60:40 income split) with one or two dependent children aged under 5 years. ^b Out-of-pocket cost calculations are based on 2006 average fees. ^c Data are based on estimated and weighted fee data from the AGCCCS. Figures published in the 2008 Report are based on final data from the 2006 AGCCCS and differ from the preliminary numbers published in the 2007 Report.

Source: AGCCCS 2006 (unpublished); table 3A.18.

Figure 3.25 shows out of pocket costs (after subsidies) in 2006 for centre-based long day care for families with one child and with two children in care across jurisdictions. Out-of-pocket costs (after subsidies) for family day care in 2006 are shown in figure 3.26.

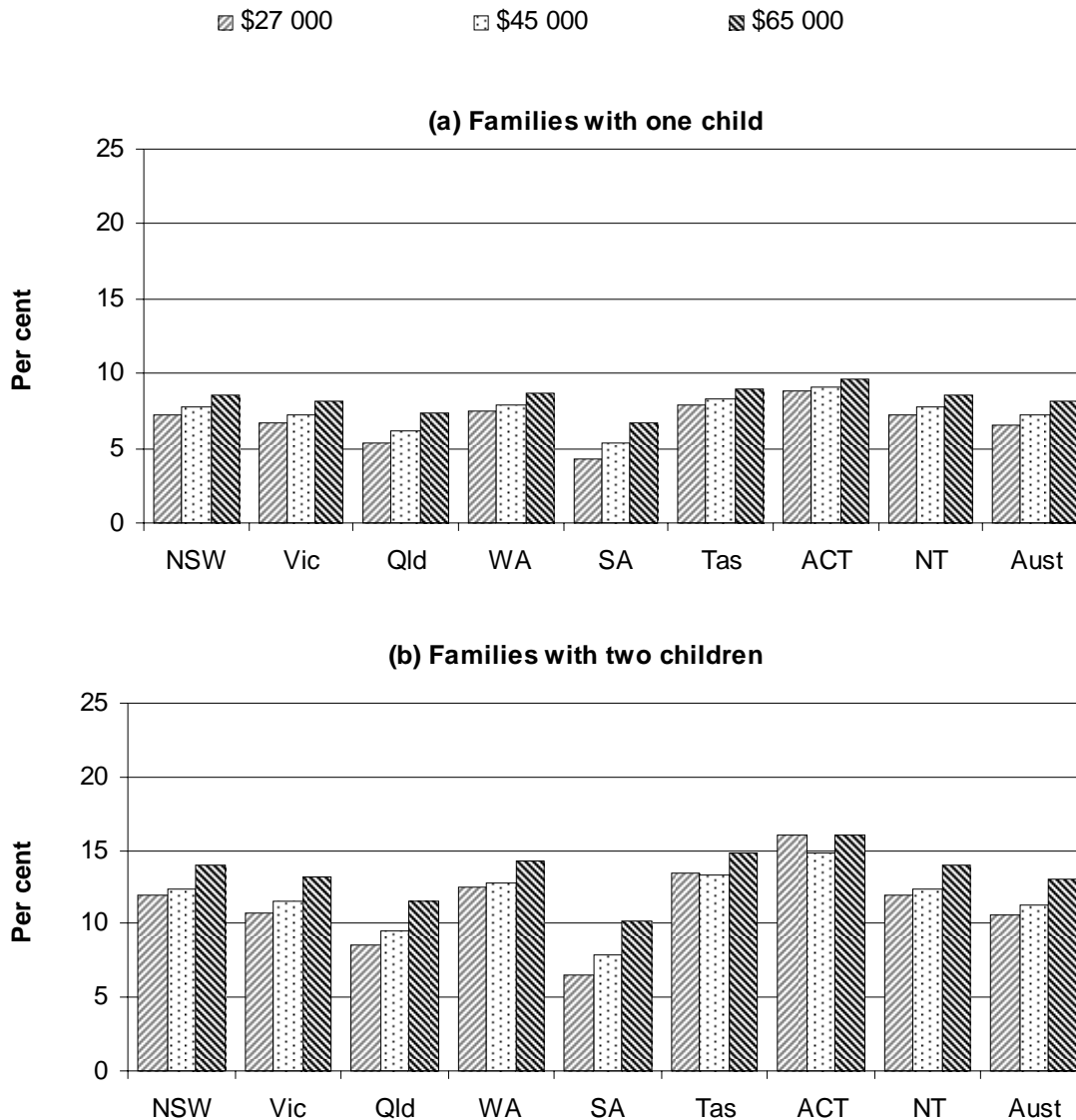
Figure 3.25 **Out-of-pocket costs for centre-based long day care (after subsidies), as a proportion of weekly disposable income, by gross annual family income, 2006^{a, b, c, d, e}**



^a Disposable income calculations are based on 20 March 2006 social security rates, taxation parameters and non-child care benefits, rebates and Medicare. Calculations are modelled on dual income couple families (60:40 income split) with one or two dependent children aged under 5 years. ^b Disposable income figures do not include CCB nor have child care out-of-pocket costs been deducted. ^c Average weekly amount paid assumes fulltime (50 hours per week) child care used by each child. ^d Care needs to be exercised when interpreting results because a variety of factors may influence fees and the level may not be fully comparable across jurisdictions. ^e Data are based on estimated and weighted fee data from the AGCCCS. Figures published in the 2008 Report are based on final data from the 2006 AGCCCS and differ from the preliminary numbers published in the 2007 Report.

Source: AGCCCS 2006 (unpublished); table 3A.18.

Figure 3.26 Out-of-pocket costs for family day care (after subsidies), as a proportion of weekly disposable income, by gross annual family income, 2006^{a, b, c, d, e, f}



^a Disposable income calculations are based on 20 March 2006 social security rates, taxation parameters and non-child care benefits, rebates and Medicare. Calculations are modelled on dual income couple families (60:40 income split) with one or two dependent children aged under 5 years. ^b Disposable income figures do not include CCB nor have child care out-of-pocket costs been deducted. ^c Average weekly amount paid assumes fulltime (50 hours per week) child care used by each child. ^d Care needs to be exercised when interpreting results because a variety of factors may influence fees and the level may not be fully comparable across jurisdictions. ^e Excludes in-home care. ^f Data are based on estimated and weighted fee data from the AGCCCS. Figures published in the 2008 Report are based on final data from the 2006 AGCCCS and differ from the preliminary numbers published in the 2007 Report.

Source: AGCCCS 2006 (unpublished); table 3A.19.

Children's needs

'Children's needs' is an indicator of children's services meeting children's needs (box 3.21).

Box 3.21 Children's needs

'Children's needs' in children's services is an indicator of governments' objective to provide children's services that meet the care, education and development needs of children, in a safe and nurturing environment.

Development work is focused on outcomes measures for children's needs in the areas of:

- learning and development
- health and safety
- social and emotional wellbeing.

This indicator has been identified for development and reporting in future. As the measures for this indicator are still under development, data were not available for the 2008 Report.

Development is underway to investigate a broad set of measures for 'children's needs' using data from the Longitudinal Study of Australian Children (box 3.22) and/or the Australian Early Development Index (box 3.23).

Box 3.22 Longitudinal Study of Australian Children

The Longitudinal Study of Australian Children (LSAC) is a longitudinal study on a discrete cohort of children, that aims to examine the impact of Australia's unique social, economic and cultural environment on children growing up in Australia today (Australian Institute of Family Studies (AIFS) 2005a).

The LSAC was initiated and is funded by FaCSIA, with the AIFS having responsibility for the design and management of the study.

The sampling unit for the LSAC is the child. During 2004, the study recruited a sample of 5107 infants (children aged 0-1 year at time of testing — referred to as cohort B) and 4983 children (children aged 4-5 years at time of testing — referred to as cohort K).

(Continued on next page)

Box 3.22 (Continued)

Wave 1 of the Study has been completed and data released. Data collection for wave 2 was completed in early 2007 (90 per cent of wave 1 families were interviewed at wave 2) and the wave 2 data file released in August 2007. Wave 3 is under development. There has also been some between-waves contact (wave 1.5 and wave 2.5).

LSAC and outcomes for children

The LSAC Outcome Index, attached to each infant and child in the Study, is a composite measure that indicates how children are developing across Physical, Social/Emotional and Learning domains of competence.

The Outcome Index provides a means of summarising the development of children across multiple domains, and wherever possible incorporates both positive and negative outcomes (see AIFS 2005b for more details).

The LSAC Outcome Index is currently being investigated as a possible measure of the developmental outcomes of infants/children in child care/preschool, compared to those infants/children who are not in child care/preschool.

Box 3.23 Australian Early Development Index (AEDI)

The Australian Early Development Index: Building Better Communities for Children project will enable communities to understand how their children are developing at the time they reach school age. The AEDI is based on the Canadian Early Development Instrument and is a measure of young children's development from a teacher-completed checklist. The AEDI measures five developmental domains:

- language and cognitive skills
- emotional maturity
- physical health and wellbeing
- social competence
- communication skills and general knowledge.

The purpose of the AEDI project is to measure the health and development of populations of children, to help communities assess how well they are doing in supporting young children and their families. Previously, there has been no method to monitor early child development at a community level, or to understand how local circumstances might be changed to improve children's life chances. Over the three years of the project, up to 60 communities will implement the AEDI.

(Continued on next page)

Box 3.23 (Continued)

Supporting children in the years before school greatly increases their chances of a successful transition to school and better learning outcomes whilst at school. The AEDI provides community members and families with the opportunity to understand the health and development of local children, and facilitates increased collaboration between schools, early childhood services, and local agencies supporting children and families.

By using the AEDI to map children's development, it is possible to begin to identify and understand the influence of socioeconomic and community factors on children's development. The AEDI can also be used to monitor changes over time.

Source: <http://www.rch.org.au/australianedi/index.cfm>

Cost-effectiveness

'Cost-effectiveness' is an indicator of children's services being provided in an effective and efficient manner (box 3.24).

Box 3.24 Cost effectiveness

'Cost effectiveness' in children's services is an indicator of governments' objective to provide children's services in an effective and efficient manner.

This indicator has been identified for development and reporting in future. Data were not available for the 2008 Report.

3.4 Future directions in performance reporting

The Steering Committee is committed to improving the comparability, completeness and overall quality of reported data for all indicators included within the performance indicator framework.

Improving reporting of existing indicators

Changes in the children's services industry have required jurisdictions to revise collection methods, and these revisions have reduced the comparability of data across years and across jurisdictions. Further work is planned to improve the consistency and comparability of performance information across jurisdictions. It will take some time before these improvements are reflected in the chapter.

Future indicator development

The Review will continue to improve the appropriateness and completeness of the performance indicator framework. Future work on indicators will focus on:

- reporting an access indicator for Indigenous preschool attendance
- completing the quality indicators for licensing of services
- developing a quality indicator for health and safety in preschool services
- developing indicators to measure the extent to which children's services meet family needs
- developing indicators to measure the extent to which children's services meet children's needs
- developing indicators to measure cost effectiveness of services.

The Council of Australian Governments' (COAG) National Reform Agenda Human Capital Stream includes indicative outcomes about early childhood development. The Steering Committee will monitor the implementation of the National Reform Agenda, including any data developments that are relevant to children's services.

Improving the completeness and comparability of data

Potential new sources of data

Several new sources of data may be able to be used in future Reports:

- A National Minimum Data Set (NMDS) for children's services has been developed, which provides a framework for collecting a set of nationally comparable data for child care and preschool services. The NMDS was developed by the AIHW, under the guidance of the Children's Services Data Working Group (CSDWG). The CSDWG was a working group established by the National Community Services Information Management Group, a subgroup of the CDSMAC. The AIHW has published the final report on the development of the NMDS. CDSMAC has funded a feasibility study into implementation of this set of data elements and this project is currently underway.
- The ABS 2008 Childhood Education and Care Survey will integrate the current ABS Child Care Survey with a new topic on Early Years Learning (EYL). The EYL will seek to provide large-scale data on children's learning activities and environments in their early years. The ABS has developed and tested the survey content in 2007, which is due to be finalised in early 2008.

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- The Longitudinal Study of Australian children (LSAC) is a longitudinal study that aims to examine the impact of Australia's unique social, economic and cultural environment on children growing up in Australia today (see box 3.22 for more information).
 - The Australian Early Development Index (AEDI) measures young children's development from a teacher-completed checklist (see box 3.23 for more information).
 - The National Preschool Census 2007 includes a question on attendance, which may be used to report on the 'Indigenous preschool attendance' indicator in the 2009 Report.
 - Progressively from January 2008, all Australian Government approved child care services will be required to report all child care usage and vacancy information through the Child Care Management System (CCMS).

3.5 Jurisdictions' comments

This section provides comments from each jurisdiction on the services covered in this chapter. Appendix A contains data that may assist in interpreting the performance indicators presented in this chapter. These data cover a range of demographic and geographic characteristics, including age profile, geographic distribution of the population, income levels, education levels, tenure of dwellings and cultural heritage (including Indigenous and ethnic status).

Australian Government comments

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The National Agenda for Early Childhood was endorsed by the Australian Government in December 2005 and provides a framework for early childhood policy and program development. The Australian Government is progressing its commitment to the National Agenda in a number of ways, but most significantly via the Stronger Families and Communities Strategy. The Strategy is guided by the latest research and the consultation feedback from the National Agenda.

In the 2007-08 Budget, the Australian Government announced significant investments in child care in Australia through measures totalling \$2.1 billion, including:

- increasing the rate of Child Care Benefit (CCB) by 10 per cent on top of the normal CPI increase from 1 July 2007
- \$1.4 billion over 5 years to bring forward payment of the 30 per cent Child Care Tax Rebate (CCTR). CCTR can now be provided to parents as a direct payment soon after the financial year in which the costs of child care are incurred
- \$169.5 million to increase parents' access to quality child care with a focus on regional and remote Australia, including children's services for Indigenous families
- an extra \$43.8 million to provide further financial support to child care services operating in areas of need, particularly rural and remote communities. This will help ensure quality child care is available where services may otherwise not be financially viable
- an additional \$71.3 million over five years for the Inclusion Support Subsidy (ISS) programme which will allow 3000 extra children with high support needs, particularly those with a disability, to be included in high quality child care each year
- \$10.7 million to integrate the three current child care Quality Assurance systems for long day care, family day care and outside school hours care into one system. The new system will reduce overlap and simplify the quality assurance process across the sector.

The Australian Government announced \$23.5 million over four years to create twenty new Innovative Child Care Service Hubs in regional and remote communities with high Indigenous populations. Child Care Service Hubs provide child care, but also link with other local early childhood services to better bring together services, for the benefit of children and families.

Work has commenced on the Intergovernmental Agreement (IGA) on early childhood education and care, which was announced by the Council of Australian Governments (COAG) on 13 April 2007. The IGA will be a significant piece of work that will aim to reduce red tape and duplication in child care regulation across all tiers of government.

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New South Wales Government comments

“ The central feature of the NSW Government’s Early Childhood Services Policy is its focus on the importance of the early years of life through a system of good quality children’s services that are responsive to the needs of children, regardless of their age or service type attended, and in the context of their families and the communities in which they live.

The approach adopted by the NSW Government takes a contemporary view of children’s services, and is based on strong evidence. It is founded on the principles of quality and responsiveness, and promotes an integrated system of child and family services catering for the needs of children from birth to five years.

The NSW regulatory framework recognises the integrated nature of early childhood education and care. All licensed early childhood services, including child care and preschools, are required by regulation to provide an education program tailored to each child’s intellectual, physical, social and emotional development and employ appropriately qualified teaching staff.

For this reason, the structure of the Children’s services chapter continues to pose difficulties in comparing the performance of NSW with that of other jurisdictions, and in accurately reporting NSW data. The chapter is based on distinguishing preschool from child care, which does not reflect the integrated delivery of early childhood education in NSW. NSW urges caution in any use or interpretation of this data in relation to the number of children that access a preschool program.

Preschools are an integral part of children’s services in NSW. The NSW Government’s \$85 million Preschool Investment and Reform Plan represents a new direction for community-based preschool services.

The Plan’s next phase focuses on growth and expansion of the sector. This will be achieved through the Government’s investment of a further \$29.8 million per annum from 2008-09, to expand the number of subsidised preschool places for another 10 500 children. This investment comes on top of the \$116.4 million that will be provided through the Children’s Services Program in 2007-08.

The Plan seeks to strengthen existing community-based services, provide extra places in high need localities and improve access for disadvantaged families and children. The financial investment is underpinned by a reform program designed to make the preschool sector more sustainable and ensure consistency of services across preschools in NSW.

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Victorian Government comments

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The Victorian Government's commitment to ensuring that children get the best start in life has included the creation of a new super department which integrates children's services and education. The new Department of Education and Early Childhood Development is recognition that children's learning begins at day one and that there are critical stages in children's development where quality input and smooth transitions can have a significant impact on future outcomes.

There is evidence that children's development and educational outcomes significantly improve when there is a strong focus placed on experiences in early childhood. Consequently, funding this year builds on the significant investment of the previous years of this government and is targeted at assisting children to access kindergarten by keeping fees affordable and by increasing the kindergarten fee subsidy to low income families.

This year 240 kindergarten teachers successfully completed the new validation process and have moved to a higher classification, a further 398 have registered for assessment. This initiative supports the workforce, assists the retention and attraction of staff and improves the quality of kindergarten services for the future.

The management of Anaphylaxis has become a key issue across jurisdictions; Victoria is the first state to propose legislation for the management of Anaphylaxis in both children's services and schools. \$2.1 million has been provided to fund state-wide training for teachers and children's services workers. The training will reassure every parent who has a child at risk of Anaphylactic shock that staff at their child care centre, kindergarten or school will have the skills to handle any emergency.

An investment of \$8.53 million over three years has been allocated to progress the establishment of integrated children's services. The aim is to assist families by providing a one-stop-shop for services. This investment will establish children's centres in growth corridors and interface councils where the need for services to support families with young children is greatest.

As the need to balance work, life and family commitments increase, more children are spending longer periods of time in children's services. Therefore, a robust regulatory system is required to ensure minimum standards and quality is adhered to, thereby reassuring parents that their child's health, wellbeing and developmental needs are being met. Currently, the Children's Services Regulations in Victoria are being reviewed with the aim to improve the quality and safety of children's experience whilst being cared for and educated in the absence of their parents. An extensive consultation process, including the release of a Discussion Paper has been completed.

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Queensland Government comments

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The Queensland government has committed \$206 million over five years from 2006 to implement a plan to address early childhood education and care reforms under the Council Of Australian Governments Human Capital National Reform Agenda. Queensland's reform package focuses on better integration of early childhood education and care, health and family support services; enhancing the accessibility and quality of services, particularly for children and families experiencing disadvantage as well as supporting parents to ensure children get the best start in life.

A priority for the Queensland government is an enhanced childcare regulation capacity to ensure the provision of safe and quality child care in an environment of high growth. An additional \$8 million recurrent over four years has been allocated for increased staffing to meet the growing demand for child care statutory services.

Queensland has a strong network of early childhood education and care services and is committed to implementing a range of initiatives to better integrate services. This includes the purchase and upgrade of six decommissioned off-site preschools, commencing in 2006-07 to establish community-based early childhood education and care centres at a total cost of \$14.3 million. In addition, a further \$5.7 million will be used to provide purpose built child care on state school sites. Funding of \$32 million over four years has been committed to establish four Early Years Centres, of this amount around \$13 million will be spent on capital works.

During 2007-08, the Queensland government will undertake a review of the *Child Care Act 2002* to ensure that contemporary legislation supports the delivery of quality and accessible child care services that are responsive to the diverse and changing needs of families and protects the best interests of children receiving child care.

From the beginning of 2007 Queensland children have been accessing a full time year of schooling, prior to Year 1, with the introduction of the Preparatory Year ('Prep'). Up to \$350 million has been invested by the Government in capital works in both State and non-State schools to ensure young Queenslanders are provided with an even better start to their schooling and to lay a solid foundation from which they can achieve more in their early years. Prep will build on the success of Queensland's part time preschool system which ceased in December 2006, expanding the notion of a play and inquiry-based curriculum and creating continuity across the early phase of learning, from Prep to Year 3.

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Western Australian Government comments

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In 2007, the Department for Community Development drafted new legislation to amend the *Children and Community Services Act 2004* to enable the transfer of the child care licensing functions to the new Department for Communities.

New funding of \$5.2 million over five years was provided in the 2006-07 State budget for a further 13 full time equivalent positions to be employed in the Child Care Licensing and Standards Unit, to enable it to conduct annual visits to child care services.

The *Contaminated Sites Act 2003* commenced on 1 December 2006 and the Department with other State agencies worked to strengthen planning policy to prevent building of child care services on contaminated sites.

On 18 August 2006, amendments to the regulations were made so that all unlicensed crèche services must now have a sign informing parents that the service is not licensed, unintended consequences of previous amendments were corrected, licensing processes were simplified and provided greater flexibility for caring for small groups of children in centre-based care.

The Child Care Regulations Consultative Committee was established in October 2006 to review the regulations. The review is expected to be finalised in 2008.

The Department for Education and Training provides an 11 hour a week kindergarten program for children four years of age by 30 June in any given year. Twenty eight Aboriginal kindergartens providing culturally appropriate programs and 37 community kindergartens, managed by a voluntary parent/carer committee, are integral to kindergarten provision.

In 2007, a comprehensive enrolment campaign was conducted to ensure all parents/carers of eligible children were aware of the free kindergarten and full day pre-primary programs available in public schools.

Syllabus documents, including an Early Childhood Syllabus have been developed to support the implementation of Western Australian Curriculum Framework. Schools are able to access the Kindergarten and Pre-primary Profile, a monitoring tool for children in the pre-compulsory years of education in the areas of social-emotional, physical, literacy, numeracy, creativity and knowledge and understanding of the world.

The Home-School Links initiative supports school staff in building relationships with parents/carers and is available to schools through district education offices.

Learning Begins At Home: a resource book for parent/carers of young children, providing information on community resources, home-based activities and literacy and numeracy learning and development was distributed through schools and libraries. Raise-a-Reader, a resource to help parents support their children with reading at home was distributed to parents/carers of children in kindergarten to year 3.

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South Australian Government comments



The State Government, through the Department of Education and Children's Services, is committed to making it possible for every child and student in South Australia to reach the highest possible level of their learning and well being.

To achieve this, it provides a broad range of services for young children from birth through to senior years, with a key strategic focus on the Early Years.

Internationally renowned early childhood expert and 'Adelaide Thinker in Residence' Dr Fraser Mustard, who says investment in the early years of a child's life impacts on learning, behaviour and health in later life, has influenced our thinking on early childhood. As a consequence, new whole-of-government ministerial and administrative arrangements have been established to progress the early childhood reform agenda and to connect various strands of this reform in education, care, health, child protection and family support.

In addition, new early childhood targets have been added to South Australia's Strategic Plan to help give children the best start in life. These targets include plans to reduce the proportion of low birthweight babies; to improve South Australia's performance on the Australian Early Development Index; and to increase the number of children reading at an age appropriate level by the end of Year 1.

With these targets in mind, the Government over the next four years is investing \$28.8 million on its program to create 20 new integrated Children's Centres for Early Childhood Development and Parenting across metropolitan and regional South Australia. These centres provide preschool, family support, health, child care and a smooth transition into the first years of school.

The South Australian Government has committed \$35 million to an Early Years Literacy Program to build on research that shows early literacy support is most effective in developing these essential skills in children. This four year program will see \$10 million invested in schools and preschools in 2006 and 2007.

The State Government has a strong focus on addressing the inequalities faced by Aboriginal and Torres Strait Islander children through targeted literacy support in early years and access to preschool from the age of three years.

The focus on preschool education is proving popular with parents with up to 93 per cent of the State's children aged four years and above enrolled in government funded preschools.

Supporting literacy development by reading with young children is the \$1 Million Book Initiative which has provided more than 80 000 books to 729 child care centres and preschools located across South Australia.



Tasmanian Government comments

“ The Tasmanian Government is continuing to move toward a whole-of-government approach to the early years with the vision that all children in Tasmania have the best possible start in life.

The whole-of-government early years strategic plan, *Early Years — A Shared Future: Framework for Action*, outlines the shared responsibility between communities, government and parents to improve outcomes for children and aims to develop integrated services, reduce gaps and overlaps and ensure better use of existing resources.

A major budget initiative of 2006-07 was *Launching into Learning*, a \$12.6 million commitment over four years to the provision of learning opportunities prior to kindergarten. The initiative recognises that providing support and intervention in the early years will more effectively influence a wider range of successful outcomes than interventions later in life and will also improve literacy and school readiness, particularly for children from less advantaged families. Currently, 78 per cent of the State's schools with an Educational Needs Index in excess of 70 are involved in the initiative. The *Launching into Learning* commitment is consistent with the priorities of the National Agenda for Early Childhood, the Council for Australian Governments National Reform Agenda and the State's Early Years Strategy.

The shortage of qualified staff continues to be the largest challenge for the Government and the child care sector in Tasmania. In addition to continuing its Scholarship, Mentorship and Approvals programs, the Department of Education, in conjunction with the Ministerial Child Care Advisory Council, is facilitating and developing new strategies to assist in addressing the crisis.

Skills to Care funding of \$140 000 over four years is available to support and train carers to take on child care management roles and aims to reduce the turnover of staff in the child care industry. Three different programs are being funded through this initiative in this first year.

Other available programs include: a University of Tasmania early years care and education degree that enables child care professionals to obtain a higher qualification and extend their knowledge, skills and understanding, the Workplace Coaches Network, and TAFE's Competency Evaluation Scale to improve the recognition process to enable a person, frequently with teaching or other similar qualification, to be assessed as to their capacity to demonstrate knowledge and experience consistent with a Diploma (Children's Services).

In addition, funding of \$50 000 over two years for *VET Children's Services Professional Partnerships* aims to support VET-in-schools child care teachers to gain industry experience and exposure to current best practice within the sector, encouraging closer integration between child care practitioners and senior secondary teachers.

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Australian Capital Territory Government comments

“ The ACT Government seeks to ensure the children of Canberra are encouraged and supported to reach their full potential. These goals are articulated through the ACT Children’s Plan, as a whole of government policy framework for children up to 12 years of age for the period 2004–2014. This plan guides decisions about policies, programs and services for children. The ACT Government governs the implementation of this plan through an Interdepartmental Committee, and through each government department.

The Office for Children, Youth and Family Support (OCYFS) within the ACT Department of Disability, Housing and Community Services works in partnership with the community to provide early intervention services, family and community support, and care and protection services to children and young people. OCYFS provides specific services to meet the needs of the people of Canberra including: child and family centres; youth justice services; family support; monitoring and licensing of children’s services; and care and protection services.

The Children’s Policy and Regulation Unit within OCYFS has responsibility for the monitoring and licensing of children’s services. During 2006-07, an audit and review was undertaken of the Unit’s functions and operations. Recommendations from this review have resulted in the establishment of the ACT Children’s Services Forum. This aims to bring together ACT children’s services stakeholders to inform issues impacting on the ACT licensed children’s services sector, including the training recruitment and retention of staff and the planning and supply of children’s services in the ACT.

The Department of Education and Training makes provision for preschool education for all children in the ACT. The ACT Government initiative to increase preschool hours from 10.5 to 12 hours per week has been very well received and resulted in an increase of 4.5 per cent in participation rates of preschool children.

The ACT Government announced two main early childhood initiatives in 2006:

- To further its commitment to early childhood education, the ACT Government will establish four new early childhood schools across Canberra. These regional centres will provide access to integrated services for children from birth to eight years and will include, in addition to preschool to year 2 classes, childcare, family support and other services that sustain children’s learning, health and wellbeing.
 - From 2008, all ACT public preschools will be amalgamating with their local primary school to support the continuity of learning. All ACT public schools catering for primary aged students will offer up to two years of non-compulsory education.
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Northern Territory Government comments

“ The Territory has a small, diverse and young population that is spread over one sixth of the nation’s land mass. A significant proportion of the Northern Territory’s children aged 0–12 years are Indigenous (about 40 per cent). Most of these children live in small remote communities that are often hundreds of kilometres from towns and services. These characteristics of the Northern Territory have resulted in unique approaches to providing children’s services.

Improving the health and wellbeing of children, supporting families and communities to care for and protect children, and promoting service integration quality and viability are key areas for attention in the Northern Territory.

Comparability of data across jurisdictions continues to be difficult. The data still consistently show lower participation levels of Indigenous children in child care services, but the data do not include participation in other children’s service types that exist in the Northern Territory, such as innovative child care services, Jobs, Education and Training (JET) crèches, mobile services and playgroups. These service types are the preferred service models for many Indigenous communities. The Northern Territory Government’s work with the Australian Government as part of the Northern Territory Emergency Response will see an increase in the number of these children’s services in remote areas.

In August 2007, the Northern Territory Government released *Closing the Gap of Indigenous Disadvantage: A Generational Plan of Action*. Closing the Gap is the Northern Territory’s Indigenous generational plan of action, aimed at closing the gap in outcomes between Indigenous and non-Indigenous Territorians. One of the priority areas under Closing the Gap for children’s services is the recent assent of the *Care and Protection of Children Act*. This Act will increase the range of children’s services that will be regulated as part of a number of measures to promote children’s wellbeing and development. The legislation will also include measures to support child safe organisations and contemporary approaches to investigation and intervention in cases of child maltreatment.

Other priority for children’s services under Closing the Gap include:

- the delivery of programs to support the development and learning of children age 0–5 years through a range of services including child care and early education services;
- providing six additional mobile preschools with 21 teachers and assistants.

The Northern Territory Government provides access to universal preschool education for four year old children, and for some three year olds. At five years of age, children commonly attend all-day universally available transition education. Trials of earlier age of entry to transition and preschool education are continuing across the Territory.

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3.6 Definitions of key terms

Administration expenditure	All expenditure by the departments responsible for the provision of licensing, advice, policy development, grants administration and training services. Responsible departments include those that administer policy for, fund and license/accredit child care and preschool services in each jurisdiction.
Australian Government approved child care service	A service approved by the Australian Government to receive Child Care Benefit (CCB) on behalf of families.
Centre-based long day care	Services aimed primarily at 0–5 year olds that are provided in a centre, usually by a mix of qualified and other staff. Educational, care and recreational programs are provided based on the developmental needs, interests and experience of each child. In some jurisdictions, primary school children may also receive care before and after school, and during school vacations. Centres typically operate for at least eight hours per day on normal working days, for a minimum of 48 weeks per year.
Child care	The meeting of a child’s care, education and developmental needs by a person other than the child’s parent or guardian. The main models of service are centre-based long day care, family day care, outside school hours care (vacation, before/after school hours and ‘pupil free days’ care), occasional care and other care.
Children	All resident male and female Australians aged 12 years or younger at 30 June of each year (unless otherwise stated).
Children from low income families	Families who are receiving the maximum rate of Child Care Benefit.
Children from non-English speaking backgrounds	Children living in situations where the main language spoken is not English.
Children’s services	All government funded and/or provided child care and preschool services (unless otherwise stated).
Counting rules	Prescribed standards, definitions and mathematical methods for determining descriptors and performance indicators for monitoring government services.
Disability related care	Care of children who have a developmental delay or disability (including an intellectual, sensory or physical impairment), or who have parent(s) with a disability.
External cause (of injury)	The environmental event, circumstance or condition that causes an injury.
Family day care	Services provided in the carer’s home. The care is largely aimed at 0–5 year olds, but primary school children may also receive care before and after school, and during school vacations. Central coordination units in all states and territories organise and support a network of carers, often with the help of local governments.
Financial support to families	Any form of fee relief paid by governments to the users of children’s services (for example, Child Care Benefit).
Formal child care	Organised care provided by a person other than the child’s parent or guardian, usually outside of the child’s home — for example, centre-based long day care, family day care, outside school hours care, vacation care and occasional care (excluding babysitting).

Formal qualifications	Early childhood-related teaching degree (three or four years), a child care certificate or associate diploma (two years) and/or other relevant qualifications (for example, a diploma or degree in child care [three years or more], primary teaching, other teaching, nursing [including mothercraft nursing], psychology and social work). Some jurisdictions do not recognise one year certificates.
Full time equivalent staff numbers	A measure of the total level of staff resources used. A full time staff member is employed full time and engaged solely in activities that fall within the scope of children's services covered in the chapter. The full time equivalent of part time staff is calculated on the basis of the proportion of time spent on activities within the scope of the data collection compared with that spent by a full time staff member solely occupied by the same activities.
Government funded or/and provided	All government financed services — that is, services that receive government contributions towards providing a specified service (including private services eligible for Child Care Benefit) and/or services for which the government has primary responsibility for delivery.
Hospital separation	An episode of care for a person admitted to a hospital. It can be a total hospital stay (from admission to discharge, transfer or death) or portions of hospital stays beginning or ending in a change of type of care (for example from acute to rehabilitation) that cease during a reference period.
Indigenous children	Children of Indigenous descent who identify as being Indigenous.
Informal child care	Child care arrangements provided privately (for example, by friends, relatives, nannies) for which no government assistance (other than the minimum rate of Child Care Benefit for Registered Care) is provided. Such care is unregulated in most states and territories.
In-home care	Care provided by an approved carer in the child's home. Families eligible for in-home care include those where the parent(s) or child has an illness/disability, those in regional or remote areas, those where the parents are working shift work or non-standard hours, those with multiple births (more than two) and/or more than two children under school age, and those with a breastfeeding mother working from home.
In-service training	Formal training only (that is, structured training sessions that may be conducted in-house or externally), including training in work or own time but not training towards qualifications included in obtaining formal qualifications. It includes: <ul style="list-style-type: none"> • management or financial training • training for additional needs children (such as children with a disability, Aboriginal or Torres Strait Islander children and children from a culturally diverse background) • other child care-related training • other relevant courses (such as a first aid certificate).
Licensed services	Those services that comply with the relevant State or Territory licensing regulations. These regulations cover matters such as the number of children whom the service can care for, safety requirements and the required qualifications of carers.

Net capital expenditure	Expenditure on the acquisition or enhancement of fixed assets, less trade-in values and/or receipts from the sale of replaced or otherwise disposed of items. Capital expenditure does not include expenditure on fixed assets which falls below threshold capitalisation levels, depreciation or costs associated maintaining, renting or leasing equipment.
Non-standard hours of care	Defined by service model as: <ul style="list-style-type: none"> • centre-based long day care — providers of service for more than 10 hours per day on Monday to Friday and/or service on weekends • preschool — providers of service for more than six hours per day • family day care — providers of service for more than 50 hours per week and/or service overnight and/or on weekends • outside school hours care: <ul style="list-style-type: none"> – vacation care(providers of service for more than 10 hours per day – before/after school care (providers of service for more than two hours before school and three hours after school) • occasional care — providers of service for more than eight hours per day • other — providers of service for more than 10 hours per day.
Occasional care	Services usually provided at a centre on an hourly or sessional basis for short periods or at irregular intervals for parents who need time to attend appointments, take care of personal matters, undertake casual and part time employment, study or have temporary respite from full time parenting. These services provide developmental activities for children and are aimed primarily at 0–5 year olds. Centres providing these services usually employ a mix of qualified and other staff.
Other expenditure on service provision	Includes all recurrent expenditure on government funded and/or provided child care and preschool services except administration and financial support to families. It includes one-off, non-capital payments to peak agencies that support child care and preschool service providers.
Other services	Government funded services to support children with additional needs or in particular situations (including children from an Indigenous or non-English speaking background, children with a disability or of parents with a disability, and children living in regional and remote areas).
Other territories	A separate category for data collections, which includes Jervis Bay Territory, the Territory of Christmas Island and the Territory of Cocos (Keeling) Islands.
Outside school hours care	Services provided for school aged children (5–12 year olds) outside school hours during term and vacations. Care may be provided on student free days and when school finishes early.
Preschools	Services usually provided by a qualified teacher on a sessional basis in dedicated preschools. Preschool programs or curricula may also be provided in long day care centres and other settings. These services are primarily aimed at children in the year before they commence full time schooling (that is, when children are 4 years old in all jurisdictions), although younger children may also attend in most jurisdictions.
Primary contact staff	Staff whose primary function is to provide care and/or preschool services to children.

Priority of access

The Australian Government funds child care with a major purpose of meeting the child care needs of Australian families. However, the demand for child care sometimes exceeds supply in some locations. When this happens, it's important for services to allocate available places to those families with the greatest need for child care support. The Government has determined Guidelines for allocating places in these circumstances. These Guidelines apply to centre based long day care, in-home care, family day care and outside school hours care services. They set out the following three levels of priority, which child care services must follow when filling vacant places:

- priority 1: a child at risk of serious abuse or neglect
- priority 2: a child of a single parent who satisfies, or of parents who both satisfy, the work/training/study test under section 14 of the Family Assistance Act
- priority 3: any other child.

Within these main categories priority should also be given to the following children:

- children in Aboriginal and Torres Strait Islander families
- children in families which include a disabled person
- children in families on lower incomes
- children in families with a non-English speaking background
- children in socially isolated families
- children of single parents.

Real expenditure

Actual expenditure adjusted for changes in prices. Adjustments were made using the GDP price deflator and expressed in terms of final year prices.

Recurrent expenditure

Expenditure that does not result in the creation or acquisition of fixed assets (new or second hand). It consists mainly of expenditure on wages, salaries and supplements, purchases of goods and services, and the consumption of fixed capital (depreciation).

Regional and remote areas

Geographic location is based on the ABS's Australian Standard Geographical Classification of Remoteness Areas, which categorises areas as 'major cities', 'inner regional', 'outer regional', 'remote', 'very remote' and 'migratory'. The criteria for remoteness areas are based on the Accessibility/Remoteness Index of Australia, which measures the remoteness of a point based on the physical road distance to the nearest urban centre in each of five size classes (ABS 2001).

The 'regional' classification used in this chapter was derived by adding data for inner regional and outer regional areas. The 'remote' classification was derived by adding data for remote, very remote and migratory areas.

Service model

The categories for which data were collected, namely:

- centre-based long day care
- family day care
- outside school hours care
 - vacation care
 - before/after school care
- occasional care
- 'other' care
- preschool services.

Special needs group	An identifiable group within the general population who may have special difficulty accessing services. Special needs groups for which data are reported in this chapter include: children from a non-English speaking background; Indigenous children; children from low income families (Australian Government child care only); children with a disability; and children from regional or remote areas.
Standard hours of care	<p>Defined by service model as:</p> <ul style="list-style-type: none"> • centre-based long day care — less than or equal to 10 hours per day on Monday to Friday • preschool — less than or equal to six hours per day on Monday to Friday • family day care — less than or equal to 10 hours per day on Monday to Friday, where no hours are overnight hours • outside school hours care: <ul style="list-style-type: none"> – vacation care — less than or equal to 10 hours per day on Monday to Friday – before/after school care — less than or equal to two hours before school and three hours after school • occasional care — less than or equal to eight hours per day Monday to Friday • other care — less than or equal to 10 hours per day Monday to Friday.
Substantiated breach arising from a complaint	An expression of concern about a child care or preschool service, made orally, in writing or in person to the regulatory authority, which constitutes a failure by the service to abide by the State or Territory legislation, regulations or conditions. This concern is investigated and subsequently considered to have substance by the regulatory body.
Vacation care	Care and developmental activities provided for school age children during school vacation periods.

3.7 Attachment tables

Attachment tables are identified in references throughout this appendix by an 'A' suffix (for example, table 3A.3 is table 3 in the attachment). Attachment tables are provided on the CD-ROM enclosed with the Report and on the Review website (www.pc.gov.au/gsp). On the CD-ROM, the files containing the attachment tables are provided in Microsoft Excel format as \Publications\Reports\2008\ Attach3A.xls and in Adobe PDF format as \Publications\Reports\2008\Attach3A.pdf. Users without access to the CD-ROM or the website can contact the Secretariat to obtain the attachment tables (see contact details on the inside front cover of the Report).

All jurisdictions data

Table 3A.1	Estimated resident population, children aged 12 years and younger ('000)
Table 3A.2	Progress in the Quality Improvement and Accreditation System, Family Day Care Quality Assurance, and Outside School Hours Care Quality Assurance, Australia (number)
Table 3A.3	Australian Government real expenditure on children's services (2006-07 dollars) (\$'000)
Table 3A.4	Total government real expenditure on children's services (2006-07 dollars) (\$'000)
Table 3A.5	State and Territory Government real expenditure on child care and preschool services (2006-07 dollars) (\$'000)
Table 3A.6	Comparability of expenditure — items included, 2006-07
Table 3A.7	Treatment of assets by children's services agencies, 2006-07
Table 3A.8	Places provided by Australian Government approved child care services (number)
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Table 3A.18	Out-of-pocket costs of child care for families with children in full time centre-based long day care, as a proportion of weekly disposable income, by gross annual family incomes, May 2006 (per cent)
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Table 3A.30	Health and safety quality: performance against NCAC principles, family day care schemes and long day care, 2006-07

Single jurisdiction data — NSW

Table 3A.31	State Government real expenditure on child care and preschool services, New South Wales (2006-07 dollars) (\$'000)
Table 3A.32	Characteristics of child care and preschool services not included in the Australian Government Census of Child Care Services, New South Wales
Table 3A.33	Children aged 0–12 years using State Government funded and/or provided child care and preschool services, by age, New South Wales
Table 3A.34	Staff employed by State Government funded and/or managed child care and preschool service providers, New South Wales
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Table 3A.36	Licensed and/or registered service providers, by management type, New South Wales
Table 3A.37	Service availability during non-standard hours and participation by target groups, New South Wales

Table 3A.38 Substantiated breaches arising from complaints about State Government registered or licensed service providers, New South Wales

Single jurisdiction data — Victoria

Table 3A.39 State Government real expenditure on child care and preschool services, Victoria (2006-07 dollars) (\$'000)

Table 3A.40 Characteristics of child care and preschool services not included in the Australian Government Census of Child Care Services, Victoria

Table 3A.41 Children aged 0–12 years using State Government funded and/or provided child care and preschool services, by age, Victoria

Table 3A.42 Staff employed by State Government funded and/or managed child care and preschool service providers, Victoria

Table 3A.43 Paid staff employed by State Government funded and/or managed child care and preschool service providers, by qualification and experience, Victoria

Table 3A.44 Licensed and/or registered service providers, by management type, Victoria

Table 3A.45 Service availability during non-standard hours and participation by target groups, Victoria

Table 3A.46 Substantiated breaches arising from complaints about State Government registered or licensed service providers, Victoria

Single jurisdiction data — Queensland

Table 3A.47 State Government real expenditure on child care and preschool services, Queensland (2006-07 dollars) (\$'000)

Table 3A.48 Characteristics of child care and preschool services not included in the Australian Government Census of Child Care Services, Queensland

Table 3A.49 Children aged 0–12 years using State Government funded and/or provided child care and preschool services, by age, Queensland

Table 3A.50 Staff employed by State Government funded and/or managed child care and preschool service providers, Queensland

Table 3A.51 Paid staff employed by State Government funded and/or managed child care and preschool service providers, by qualification and experience, Queensland

Table 3A.52 Licensed and/or registered service providers, by management type, Queensland

Table 3A.53 Service availability during non-standard hours and participation by target groups, Queensland

Table 3A.54 Substantiated breaches arising from complaints about State Government registered or licensed service providers, Queensland

Single jurisdiction data — WA

Table 3A.55 State Government real expenditure on child care and preschool services, Western Australia (2006-07 dollars) (\$'000)

Table 3A.56 Characteristics of child care and preschool services not included in the Australian Government Census of Child Care Services, Western Australia

Table 3A.57 Children aged 0–12 years using State Government funded and/or provided child care and preschool services, by age, Western Australia

Table 3A.58 Staff employed by State Government funded and/or managed child care and preschool service providers, Western Australia

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- Table 3A.60** Licensed and/or registered service providers, by management type, Western Australia
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Single jurisdiction data — SA

- Table 3A.63** State Government real expenditure on child care and preschool services, South Australia (2006-07 dollars) (\$'000)
- Table 3A.64** Characteristics of child care and preschool services not included in the Australian Government Census of Child Care Services, South Australia
- Table 3A.65** Children aged 0–12 years using State Government funded and/or provided child care and preschool services, by age, South Australia
- Table 3A.66** Staff employed by State Government funded and/or managed child care and preschool service providers, South Australia
- Table 3A.67** Paid staff employed by State Government funded and/or managed child care and preschool service providers, by qualification and experience, South Australia
- Table 3A.68** Licensed and/or registered service providers, by management type, South Australia
- Table 3A.69** Service availability during non-standard hours and participation by target groups, South Australia
- Table 3A.70** Substantiated breaches arising from complaints about State Government registered or licensed service providers, South Australia

Single jurisdiction data — Tasmania

- Table 3A.71** State Government real expenditure on child care and preschool services, Tasmania (2006-07 dollars) (\$'000)
- Table 3A.72** Characteristics of child care and preschool services not included in the Australian Government Census of Child Care Services, Tasmania
- Table 3A.73** Children aged 0–12 years using State Government funded and/or provided child care and preschool services, by age, Tasmania
- Table 3A.74** Staff employed by State Government funded and/or managed child care and preschool service providers, Tasmania
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- Table 3A.76** Licensed and/or registered service providers, by management type, Tasmania
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Single jurisdiction data — ACT

- Table 3A.79** State Government real expenditure on child care and preschool services, Australian Capital Territory (2006-07 dollars) (\$'000)
- Table 3A.80** Characteristics of child care and preschool services not included in the Australian Government Census of Child Care Services, Australian Capital Territory
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Single jurisdiction data — NT

- Table 3A.87** State Government real expenditure on child care and preschool services, Northern Territory (2006-07 dollars) (\$'000)
- Table 3A.88** Characteristics of child care and preschool services not included in the Australian Government Census of Child Care Services, Northern Territory
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- Table 3A.93** Service availability during non-standard hours and participation by target groups, Northern Territory
- Table 3A.94** Substantiated breaches arising from complaints about State Government registered or licensed service providers, Northern Territory

3.8 References

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