# 3 Early Childhood Education and Care

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This chapter reports on the performance of early childhood education and care (ECEC) services, which comprise child care and preschool services.

All abbreviations used in this Report are available in a complete list in volume A: Approach to performance reporting.

## 3.1 Profile of ECEC

### Service overview

The ECEC sector provides a range of services for children based on their age and education, care and development needs. ECEC services provide one or more of the following broad service types:

* Child care services provided to children aged 0–12 years including:
* long day care
* family day care
* outside school hours care (OSHC)
* occasional care
* other care (see section 3.4 for definitions).
* Preschool services, which deliver a preschool program by a qualified teacher, mainly in the year or two before children begin full time schooling (table 3.1).

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| Table 3.1 Preschool programs in Australia, 2015‑16**a** |
| |  |  |  |  | | --- | --- | --- | --- | | State/territory | Program name | Age of entry — preschool program | Age of entry — school | | NSW | Preschool | Generally aged 4 and 5 | 5 by 31 July | | Vic | Kindergarten | 4 by 30 April | 5 by 30 April | | Qld | Kindergarten | 4 by 30 June | 5 by 30 June | | WA | Kindergarten | 4 by 30 June | 5 by 30 June | | SA | Preschool | 4 by 1 May | 5 by 1 May | | Tas | Kindergarten | 4 by 1 January | 5 by 1 January | | ACT | Preschool | 4 by 30 April | 5 by 30 April | | NT | Preschool | 4 by 30 June | 5 by 30 June | |
| a See table 3A.1 for detailed footnotes and caveats. |
| *Source*: State and Territory governments (unpublished); table 3A.1. |
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An ECEC service may offer more than one service type, such as long day care and OSHC (both child care services) or long day care and preschool. The range of services offered differs across states and territories and between service providers. The most common type of integrated service is preschool delivered within a long day care centre.

ECEC services can also provide other non‑education services such as maternal and child health services and family support services. The services provided differ according to community need, with more extensive services often being provided in disadvantaged communities.

### Roles and responsibilities

The Australian, State and Territory governments have different but complementary roles in ECEC. The Australian Government’s main roles and responsibilities include:

* paying the Child Care Benefit (CCB) and the Child Care Rebate (CCR) to eligible families using approved child care services or registered carers (only CCB). The types of child care for which families receive subsidised care are in table 3.2
* providing funding to State and Territory governments to support the achievement of universal access to early childhood education (through the *National Partnership Agreement on Universal Access to Early Childhood Education* (NP UAECE) — 2016 and 2017)
* providing funding to support the implementation of the National Quality Framework (NQF)[[1]](#footnote-1) (through the *National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care* (NP NQAECEC) — 2015‑16 to 2017‑18)
* providing operational and capital funding to some providers.

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| Table 3.2 Summary of ECEC service funding by Australian, State and Territory governments, 2015‑16 | | |
| |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | |  | NSW | Vic | Qld | WA | SA | Tasa | ACTb | NT | Aus Gov | | ***Funded child care services*** | | | | | | | | | | | Long day care |  |  |  |  |  |  |  |  |  | | Family day care |  |  |  |  |  |  |  |  |  | | OSHC |  |  |  |  |  |  |  |  |  | | Vacation care |  |  |  |  |  |  |  |  |  | | Occasional care |  |  |  |  |  |  |  |  |  | | Other carec |  |  |  |  |  |  |  |  |  | | In home care |  |  |  |  |  |  |  |  |  | | Budget Based Funded |  |  |  |  |  |  |  |  |  | | ***Funded preschool services*** | | | | | | | | | | | Local government/community preschools |  |  |  |  |  |  |  |  |  | | Preschool program in for profit LDC |  |  |  |  |  |  |  |  |  | | Preschool program in not‑for‑profit LDC |  |  |  |  |  |  |  |  |  | | Preschool program in government school |  |  |  |  |  |  |  |  |  | | Preschool program in non‑government school |  |  |  |  |  |  |  |  |  | | | |
|  |  | Government provides funding to at least one of these services |
|  |  | Government does not provide funding to any of these services |
| LDC = long day care. a In Tasmania, some child care services may receive funding under an annual, small capital grants (minor infrastructure) program. These services are not included in this table unless they also receive recurrent funding. b In the ACT, childcare services and preschools outside the government sector may receive support through capital grants, rental subsidies, and funding through budget initiatives. These services are not included in this table unless they also receive recurrent funding. c Other care services in the NT are 3 year old kindergarten services. | | |
| *Source*: Australian, State and Territory governments (unpublished). | | |
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State and Territory governments’ main roles and responsibilities vary across jurisdictions, but usually include:

* funding and/or providing preschool services and, in some cases, providing funding to child care services (including some that also receive Australian Government funding)
* providing funding to support the implementation of the NP UAECE and NP NQAECEC
* regulating approved services under the NQF and licensing and/or registering child care services not approved under the NQF. Regulation activities can include undertaking monitoring and quality assessment and providing dispute resolution and complaints management processes
* implementing strategies to improve the quality of ECEC programs such as setting higher staff requirements than under the NQF, and requiring services to demonstrate the delivery of quality educational and recreational programs and create quality improvement plans to drive continuous improvement
* providing curriculum, information, support, advice, and training and development to ECEC providers.

Local governments also plan, fund and deliver ECEC, but due to data limitations, the only local government data included in this chapter are those involving Australian, State and Territory government funding and/or licensing.

The Australian, State and Territory governments are cooperatively undertaking national reforms in ECEC through the Council of Australian Governments (COAG), which has endorsed a number of major funding agreements and initiatives currently operating including the:

* *National Early Childhood Development Strategy — Investing in the Early Years* (endorsed in 2009)
* NP UAECE2016 and 2017 (replaces earlier agreements back to 2008)
* NP NQAECEC 2015‑16 to 2017‑18 (replaces an earlier agreement endorsed in 2009)
* *National Indigenous Reform Agreement* (endorsed 2008). (Further information on these arrangements is available at www.federalfinancialrelations.gov.au.)

### Funding

Total Australian, State and Territory government recurrent and capital expenditure on ECEC services was $9.1 billion in 2015‑16, compared with $8.8 billion in 2014‑15 (table 3A.3). Australian Government expenditure (all child care) accounted for $7.4 billion (82.1 per cent) and State and Territory government expenditure accounted for $1.6 billion, with preschools accounting for 83.0 per cent of this expenditure (tables 3A.4 and 3A.5).

Australian Government expenditure of $407.7 million allocated to State and Territory governments in 2015‑16 through the NP UAECE is included under State and Territory government expenditure (table 3A.6).

### Size and scope of ECEC

#### Services delivering ECEC

In 2016[[2]](#footnote-2), there were 17 656 Australian Government CCB approved child care services in Australia (table 3.3). All Australian Government expenditure is on CCB approved child care services with the exception of services under the Budget Based Funded Programme. Budget Based Funded services receive an Australian Government contribution to the operational costs of child care, early learning and school age services in approved locations (mostly regional, remote and Aboriginal and Torres Strait Islander communities where the market would otherwise fail to deliver services). In addition, a small proportion of child care services do not receive Australian Government funding and are funded by State and Territory governments or do not receive any government funding (table 3A.9).

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| Table 3.3 Australian Government CCB approved child care services and Budget Based Funded services, by service type, 2016**a** |
| |  | Unit | NSW | Vic | Qld | WA | SA | Tas | ACT | NT | Aust |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | Long day care | % | 47.1 | 31.7 | 40.7 | 33.5 | 27.1 | 31.0 | 39.4 | 39.9 | 38.9 |  | | Family day care | % | 4.2 | 7.6 | 3.6 | 2.8 | 1.9 | 3.2 | 3.5 | 2.6 | 4.5 |  | | Vacation care | % | 13.0 | 11.7 | 18.3 | 16.9 | 20.2 | 20.4 | 14.9 | 20.7 | 15.0 |  | | OSHC | % | 34.8 | 47.4 | 36.7 | 45.8 | 50.5 | 43.8 | 41.2 | 36.3 | 40.6 |  | | Occasional care | % | 0.6 | 1.3 | 0.1 | 0.6 | 0.2 | 1.1 | 0.8 | – | 0.6 |  | | In home care | % | 0.3 | 0.3 | 0.6 | 0.3 | 0.2 | 0.5 | 0.3 | 0.5 | 0.4 |  | | **Total** | **%** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** |  | |  | **no.** | **6 025** | **4 065** | **3 617** | **1 676** | **1 327** | **377** | **376** | **193** | **17 656** |  | | **Budget Based** | **no.** | **38** | **14** | **70** | **25** | **39** | **6** | **–** | **106** | **298** |  | |
| a See table 3A.8 for detailed footnotes and caveats. – Nil or rounded to zero. |
| *Source*: Australian Government Department of Education and Training (unpublished); table 3A.8. |
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In 2015, there were 10 636 services in Australia delivering preschool programs (table 3.4). Of these services, 6378 (60 per cent) were delivered from long day care centres and the remainder were delivered from stand‑alone preschools or preschools attached to a school. In 2016, State and Territory governments provided funding to about 4220 services that deliver a preschool program (table 3A.9).

Most child care services, including most long day care, family day care, vacation care and OSHC, and preschool services, are approved and regulated under the NQF. At 30 June 2016, there were 15 417 NQF approved ECEC services in Australia (table 3A.10). Some ECEC services are licensed and/or registered to operate by State and Territory governments, but are not approved under the NQF, including occasional care and mobile preschools (table 3A.11).

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| Table 3.4 Number and proportion of preschool services, by service delivery setting and management type, 2015**a** |
| |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | |  | Unit | NSW | Vic | Qld | WA | SA | Tas | ACT | NT | Aust | | LDC with preschool |  |  |  |  |  |  |  |  |  |  | | Government | % | 7.0 | 4.1 | 1.6 | 1.7 | 8.8 | 3.4 | – | 1.5 | 4.4 | | Non‑government | % | 68.8 | 47.8 | 69.8 | 31.8 | 39.0 | 26.3 | 58.8 | 33.8 | 55.5 | | **Total LDC with preschool** | **%** | **75.8** | **51.9** | **71.4** | **33.5** | **47.8** | **29.6** | **58.8** | **35.4** | **60.0** | |  | **no.** | **2 639** | **1 239** | **1 424** | **455** | **337** | **88** | **127** | **69** | **6 378** | | Preschool not delivered in LDC |  |  |  |  |  |  |  |  |  |  | | Government | % | 4.5 | 9.8 | 5.7 | 48.1 | 48.4 | 51.5 | 38.0 | 60.0 | 17.4 | | Non‑government | % | 19.7 | 38.3 | 23.0 | 18.4 | 3.8 | 18.9 | 3.2 | 4.6 | 22.6 | | Community | % | 19.2 | 34.6 | 21.3 | – | 0.6 | – | – | – | 18.1 | | Private for profit | % | – | 0.3 | 0.3 | – | 0.4 | – | – | – | 0.1 | | Non‑government school | % | 0.5 | 3.4 | 1.5 | 18.4 | 2.8 | 18.9 | 3.2 | 4.6 | 4.4 | | **Preschool not delivered in LDC** | **%** | **24.2** | **48.1** | **28.6** | **66.5** | **52.5** | **70.4** | **41.2** | **64.6** | **40.0** | |  | **no.** | **843** | **1 148** | **571** | **904** | **368** | **209** | **89** | **126** | **4 258** | | **Total preschool services** | **no.** | **3 482** | **2 387** | **1 995** | **1 359** | **705** | **297** | **216** | **195** | **10 636** | |
| LDC = long day care. a See table 3A.12 for detailed footnotes and caveats. – Nil or rounded to zero. |
| *Source*: ABS (2016) *Preschool Education, Australia, 2015*, Cat. no. 4240.0; table 3A.12. |
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#### Children using ECEC

In 2016, 1 220 549 (about 31.0 per cent) of children aged 0–12 years attended Australian Government CCB approved child care services, an increase of 2.7 per cent from 2015 (table 3A.18). For jurisdictions who could report data on child care usage for State and Territory government (only) funded child care services, in 2016, there were 5481 children attending these services (table 3A.21). There are no restrictions on the number of CCB child care places that can be approved and no restrictions in most State and Territory government (only) funded child care services on the number of supported places.

In 2015, 304 153 children aged 4 and 5 years were enrolled in a preschool program in the year before full time schooling (YBFS). (This excludes enrolled children aged 5 years who were also enrolled in the previous year as 4 year olds.) There were 66 706 children aged 3 years enrolled in a preschool program (table 3A.25). Data reported for 3 year olds enrolled in a preschool program may be incomplete due to different reporting arrangements in each jurisdiction.

## 3.2 Framework of performance indicators

The performance indicator framework for ECEC services is based on common objectives for ECEC (box 3.1).

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| Box 3.1 Objectives for ECEC services |
| ECEC services aim to meet the education, care and development needs of children, and meet the needs of families including enabling increased workforce participation, by providing universal access to early childhood education services for eligible children and accessible child care services that:   * are high quality, affordable, flexible and can be implemented across a range of settings * are delivered in a safe, nurturing and inclusive environment * target improved access for, and participation by, Aboriginal and Torres Strait Islander, vulnerable and disadvantaged children.   Governments aim for ECEC services to meet these objectives in an equitable and efficient manner. |
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The performance indicator framework provides information on equity, efficiency, effectiveness, and distinguishes the outputs and outcomes of ECEC services (figure 3.1).

The framework also shows which data are complete and comparable in the 2017 Report. For data that are not considered directly comparable, text includes relevant caveats and supporting commentary. Chapter 1 discusses data comparability, data completeness and information on data quality from a Report wide perspective. In addition to section 3.1, the Report’s Statistical context chapter (chapter 2) contains data that may assist in interpreting the performance indicators presented in this chapter.

Improvements to performance reporting for ECEC services are ongoing and will include identifying indicators to fill gaps in reporting against key objectives, improving the comparability and completeness of data and reviewing proxy indicators to see if more direct measures can be developed.

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| Figure 3.1 ECEC performance indicator framework |
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## 3.3 Key performance indicator results

### Outputs

Outputs are the services delivered (while outcomes are the impact of these services on the status of an individual or group) (see chapter 1). Output information is also critical for equitable, efficient and effective management of government services.

### Equity

#### Access — Participation rates for special needs groups in child care

‘Participation rates for special needs groups in child care’ is an indicator of governments’ objective to provide child care services in an equitable manner, and that there is access for, and participation of, Aboriginal and Torres Strait Islander, vulnerable and disadvantaged children (box 3.2).

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| Box 3.2 Participation rates for special needs groups in child care |
| ‘Participation rates for special needs groups in child care’ is defined as the proportion of children aged 0–5, 6–12 and 0–12 years attending Australian Government CCB approved child care services who are from targeted special needs groups, compared with the representation of these groups in the community.  Targeted special needs groups include children from non‑English‑speaking backgrounds (NESB), Aboriginal and Torres Strait Islander children, children from low‑income families, children with disability, and children from regional and remote areas.  A high or increasing participation rate is desirable. If the representation of special needs groups among child care service users is broadly similar to their representation in the community, this suggests equitable access.  Data reported for this measure are:   * comparable (subject to caveats) across jurisdictions, but a break in series means that data from 2010 are not comparable to previous years * complete (subject to caveats) for the current reporting period. All required 2016 data are available for all jurisdictions. |
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Nationally, the representation of children aged 0–5, 6–12 and 0–12 years from special needs groups in child care services was lower than their representation in the community, except for children from NESB and low‑income families (tables 3.5 and 3A.13). Data on representation of special needs groups in State and Territory government funded child care for children aged 0–12 years are presented in table 3A.15.

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| Table 3.5 Proportion of children aged 0–12 years attending Australian Government CCB approved child care services who are from special needs groups, compared with their representation in the community (per cent)**a** |
| |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | |  | NSW | Vic | Qld | WA | SA | Tas | ACT | NT | Aust | | *Children from NESB* | | | | | | | | | | | In child care services, 2016 | 28.3 | 29.0 | 11.5 | 16.4 | 14.5 | 4.7 | 20.8 | 15.3 | 22.1 | | In the community, 2011 | 23.7 | 23.4 | 13.2 | 18.0 | 15.7 | 7.3 | 19.2 | 40.0 | 20.0 | | *Aboriginal and Torres Strait Islander children* | | | | | | | | | | | In child care services, 2016 | 2.6 | 0.9 | 3.7 | 2.4 | 1.7 | 5.5 | 1.3 | 9.8 | 2.4 | | In the community, 2015 | 5.4 | 1.6 | 7.9 | 6.2 | 4.5 | 9.6 | 2.8 | 41.3 | 5.5 | | *Children from low‑income families* | | | | | | | | | | | In child care services, 2016 | 23.5 | 25.0 | 26.2 | 19.8 | 21.5 | 25.8 | 9.6 | 12.1 | 23.7 | | In the community, 2013‑14 | 17.8 | 17.6 | 16.6 | 11.9 | 18.5 | 24.8 | 6.1 | 9.0 | 16.8 | | *Children with disability* | | | | | | | | | | | In child care services, 2016 | 4.3 | 3.6 | 3.1 | 2.8 | 4.1 | 4.7 | 2.6 | 3.4 | 3.7 | | In the community, 2015 | 7.2 | 6.6 | 7.8 | 5.4 | 9.6 | 9.7 | 6.2 | 5.5 | 7.2 | | *Children from regional areas* | | | | | | | | | | | In child care services, 2016 | 19.1 | 16.8 | 27.8 | 14.1 | 16.5 | 100.4 | 0.4 | 81.8 | 21.5 | | In the community, 2015 | 24.9 | 23.4 | 35.7 | 17.5 | 23.5 | 98.3 | 1.0 | 52.9 | 27.3 | | *Children from remote areas* | | | | | | | | | | | In child care services, 2016 | 0.2 | – | 1.0 | 3.6 | 2.2 | 0.8 | .. | 18.6 | 0.9 | | In the community, 2015 | 0.6 | 0.1 | 3.4 | 6.6 | 3.8 | 1.7 | .. | 47.1 | 2.6 | |
| a See box 3.2 and table 3A.14 for detailed definitions, footnotes and caveats. .. Not applicable. – Nil or rounded to zero. |
| *Source*: Australian Government Department of Education and Training (unpublished) administrative data collection and *National Early Childhood Education and Care Workforce Census 2016*;ABS (unpublished) *2011 Census of Population and Housing*; ABS (unpublished) *Household Income and Income Distribution, Australia, 2013‑14,* Cat. no. 6523.0; ABS (unpublished) *Microdata: Disability, Ageing and Carers, Australia, 2015,* Cat. no. 4430.0.30.002; ABS (2014) *Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001 to 2026* *(Series B),* Cat. no. 3238.0; ABS (2015) *Australian Demographic Statistics, Jun 2015,* Cat. no. 3101.0; ABS (unpublished) *Population by Age and Sex, Regions of Australia, 2015*, Cat. no. 3235.0; table 3A.14. |
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#### Access — participation rates for special needs groups in preschool

‘Participation rates for special needs groups in preschool’ is an indicator of governments’ objective to provide preschool services in an equitable manner, and that there is access for, and participation of, Aboriginal and Torres Strait Islander, vulnerable and disadvantaged children (box 3.3).

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| Box 3.3 Participation rates for special needs groups in preschool |
| ‘Participation rates for special needs groups in preschool’ is defined by two measures:   * The proportion of children aged 3–5 years enrolled in a preschool program who are from targeted special needs groups, compared with the representation of these groups in the community. Targeted special needs groups include children from NESB, Aboriginal and Torres Strait Islander children, children with disability and children from regional and remote areas. * The proportion of children aged 4 and 5 years enrolled in a preschool program in the YBFS who are disadvantaged, compared with the representation of children who are disadvantaged in the community. Children who are disadvantaged are defined as residing in an area with a Socio‑Economic Indexes for Areas (SEIFA) Index of Relative Socio economic Disadvantage (IRSD) quintile of 1. The SEIFA IRSD quintile of 1 is used as a proxy for the most disadvantaged and should be interpreted with care as it is measures the disadvantage of the area where the child resides, rather than directly measuring the child’s level of disadvantage.   A high or increasing proportion of children from special needs groups and children who are disadvantaged enrolled in a preschool program is desirable. If the representation of these groups among children enrolled in a preschool program is broadly similar to their representation in the community, this suggests equitable access.  Data reported for these measures are:   * comparable (subject to caveats) across jurisdictions for Aboriginal and Torres Strait Islander children and children from regional and remote areas. Data are not comparable across jurisdictions for children from NESB and children with disability. Data are comparable (subject to caveats) across jurisdictions and over time for children who are disadvantaged * complete (subject to caveats) for the current reporting period for children who are disadvantaged and most special needs groups. All required 2015 data are available for all jurisdictions for children who are disadvantaged but incomplete for the current reporting period for NESB. All required NESB data are not available for WA and the NT. |
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##### Proportion of children aged 3–5 years enrolled in a preschool program who are from targeted special needs groups, compared with their representation in the community

The representation of 3–5 year old children from special needs groups enrolled in a preschool program was lower than their representation in the community for all groups except children from regional areas (table 3.6).

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| Table 3.6 Proportion of children aged 3–5 years enrolled in a preschool program who are from special needs groups, compared with their representation in the community (per cent)**a** |
| |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | |  | NSW | Vic | Qld | WA | SA | Tas | ACT | NT | Aust | | *Children from NESB* | | | | | | | | | | | In a preschool program, 2015 | 20.1 | 15.5 | 9.0 | na | 11.0 | 2.8 | 28.6 | na | 12.1 | | In the community, 2011 | 23.7 | 23.4 | 13.2 | 17.7 | 15.4 | 7.4 | 19.6 | 39.3 | 20.0 | | *Aboriginal and Torres Strait Islander children* | | | | | | | | | | | In a preschool program, 2015 | 4.7 | 1.5 | 6.2 | 5.7 | 6.6 | 7.7 | 3.0 | 34.6 | 4.8 | | In the community, 2015 | 5.2 | 1.6 | 7.9 | 5.9 | 4.5 | 9.4 | 2.8 | 38.0 | 5.4 | | *Children with disability* | | | | | | | | | | | In a preschool program, 2015 | 9.2 | 4.2 | 4.5 | 3.3 | 13.9 | 4.0 | 1.0 | 7.8 | 5.8 | | In the community, 2015 | 8.1 | 5.1 | 6.0 | 5.0 | 11.3 | 11.2 | 5.4 | 8.1 | 6.7 | | *Children from regional areas* | | | | | | | | | | | In a preschool program, 2015 | 27.1 | 23.0 | 33.3 | 16.9 | 22.2 | 98.4 | 3.3 | 54.9 | 27.2 | | In the community, 2015 | 24.3 | 23.1 | 35.3 | 17.2 | 23.0 | 98.3 | 1.2 | 52.8 | 26.9 | | *Children from remote areas* | | | | | | | | | | | In a preschool program, 2015 | 0.7 | – | 2.8 | 6.4 | 3.9 | 1.5 | .. | 44.6 | 2.3 | | In the community, 2015 | 0.6 | 0.1 | 3.5 | 6.5 | 3.8 | 1.7 | .. | 47.2 | 2.5 | |
| a See box 3.3 and table 3A.16 for detailed definitions, footnotes and caveats. **na** Not available. .. Not applicable. – Nil or rounded to zero. |
| *Source*: ABS (unpublished) *Microdata: Preschool Education, Australia, 2015*, Cat. no. 4240.0.55.003; ABS (unpublished) *2011 Census of Population and Housing*; ABS (unpublished) *Microdata: Disability, Ageing and Carers, Australia, 2015,* Cat. no. 4430.0.30.002; ABS (2014) *Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001 to 2026* *(Series B),* Cat. no. 3238.0; ABS (unpublished) *Population by Age and Sex, Regions of Australia, 2015*, Cat. no. 3235.0; table 3A.16. |
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##### Proportion of children aged 4 and 5 years enrolled in a preschool program in the YBFS who are disadvantaged, compared with their representation in the community

In 2015, 17.9 per cent of 4 and 5 year old children enrolled in a preschool program in the YBFS resided in an area with a SEIFA IRSD quintile of 1, compared with 19.5 per cent of 4 and 5 year olds in the community (figure 3.2).

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| Figure 3.2 Proportion of children aged 4 and 5 years enrolled in a preschool program in the YBFS who are disadvantaged, compared with their representation in the community, 2015**a** |
| |  | | --- | | Figure 3.2 Proportion of children aged 4 and 5 years enrolled in a preschool program in the YBFS who are disadvantaged, compared with their representation in the community, 2015  More details can be found within the text surrounding this image. | |
| a See box 3.3 and table 3A.17 for detailed definitions, footnotes and caveats. |
| Source: Derived from ABS (2016) *Preschool Education, Australia, 2015*, Cat. no. 4240.0; ABS (unpublished) Population by Age and Sex, Regions of Australia, 2015, Cat. no. 3235.0; table 3A.17. |
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### Effectiveness

#### Access — children using child care

‘Children using child care’ is an indicator of governments’ objective to ensure that ECEC services are accessible (box 3.4).

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| Box 3.4 Children using child care |
| ‘Children using child care’ is defined by three measures:   * The proportion of children who are attending Australian Government CCB approved child care services by age group (0–5, 6–12 and 0–12 years). * The proportion of children who are attending Australian Government CCB approved and State and Territory government funded child care services by age group (0–5, 6–12 and  0–12 years). * Average hours of attendance per week for 0–12 year olds at Australian Government CCB‑approved child care services by service type. |
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| Box 3.4 (continued) |
| A higher or increasing proportion of children using services and/or number of hours attended can indicate a higher level of accessibility. This indicator does not provide information on parental preferences for using child care, or other factors, which can affect child care use.  Data reported for these measures are:   * comparable (subject to caveats) within jurisdictions over time, and across jurisdictions, except for the measure of Australian Government CCB approved and State and Territory government funded child care * complete for the current reporting period, except for the measure of Australian Government CCB approved and State and Territory government funded child care — all required 2016 data were not available for State and Territory government funded child care services for NSW, Victoria, WA and the NT. |
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In 2016, 31.0 per cent of children aged 0–12 years attended Australian Government CCB approved child care, up from 30.6 per cent in 2015 and 21.7 per cent in 2008 (figure 3.3). The majority (65.0 per cent) of attendees are aged 0–5 years, over half (55.5 per cent) receive a long day care service and over a quarter (28.5 per cent) receive an OSHC service (tables 3A.18 and 3A.20).

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| Figure 3.3 Proportion of children aged 0–12 years who are attending Australian Government CCB approved child care services**a** |
| |  | | --- | | Figure 3.3 Proportion of children aged 0-12 years who are attending Australian Government CCB approved child care services  More details can be found within the text surrounding this image. | |
| a See box 3.4 and table 3A.18 for detailed definitions, footnotes and caveats. |
| *Source*: Australian Government Department of Education and Training (unpublished); ABS (unpublished) *Australian Demographic Statistics, Dec 2015* (and previous editions), Cat. no. 3101.0; table 3A.18. |
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In 2016, an additional 0.1 per cent of children aged 0–12 years attended a State and Territory government funded service (table 3A.22). The majority of these children (97.5 per cent) were aged 0–5 years (table 3A.21). However, the State and Territory proportions may be understated because some State and Territory governments cannot report the usage of services funded only by State and Territory government.

The average hours of attendance in Australian Government CCB approved child care in 2016 varied considerably across jurisdictions for all service types (figure 3.4). Nationally, average attendance per child was above 25 hours per week for long day care, family day care, vacation care and in home care, but considerably less for OSHC and occasional care. Additional information is provided in table 3A.24 on average hours of attendance per week at services which receive only State and Territory government funding.

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| Figure 3.4 Average hours of attendance per week for 0–12 year olds at Australian Government CCB approved child care services, by service type, 2016**a, b** |
| |  | | --- | | Figure 3.4 Average hours of attendance per week for 0-12 year olds at Australian Government CCB approved child care services, by service type, 2016  More details can be found within the text surrounding this image. | |
| a See box 3.4 and table 3A.23 for detailed definitions, footnotes and caveats. b NT data for occasional care are not applicable. |
| *Source*: Australian Government Department of Education and Training (unpublished) administrative data collection; table 3A.23. |
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#### Access — children enrolled in preschool

‘Children enrolled in preschool’ is an indicator of governments’ objective to ensure that ECEC services are accessible and target improved access for, and participation of, Aboriginal and Torres Strait Islander children (box 3.5).

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| Box 3.5 Children enrolled in preschool |
| Children enrolled in preschool’ is defined by three measures:   * The proportion of 4 year old children who are enrolled in a preschool program in the YBFS, calculated as the number of children aged 4 and 5 years enrolled in a preschool program in the YBFS as a proportion of children aged 4 years. * As above, for Aboriginal and Torres Strait Islander children. * As above, for Aboriginal and Torres Strait Islander children by remoteness area (national only).   YBFS data exclude children aged 5 years old who were enrolled in a preschool program in the previous year as a 4 year old (to provide an estimate of a single year cohort for the population that will transition to full time schooling in the following year). To be considered as enrolled, the child must have attended the preschool program for at least one hour during the reference period, or be absent due to illness or extended holiday leave and expected to return.  A high or increasing proportion of children enrolled in preschool can indicate a high or increasing level of service availability, and is desirable. However, this indicator can be difficult to interpret as:   * preschool program starting ages for children varies across states and territories (table 3A.1) * preschool enrolment data are under reported due to service non‑response, particularly long day care centres providing a preschool program * an overestimation of enrolment rates may occur (for example, they exceed 100 per cent) as the measures are based on 4 and 5 year old enrolled population (excluding 5 year old repeaters) as a proportion of the 4 year old resident population. Overestimation may also result from children moving interstate during a preschool program year, being enrolled in a jurisdiction different to the one in which they live, attending multiple providers to access an appropriate amount of care and attending multiple service types.   Data reported for these measures are:   * comparable (subject to caveats) across jurisdictions and over time * complete (subject to caveats) for the current reporting period. All required 2015 data are available for all jurisdictions. |
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In 2015, 100.6 per cent of 4 year old children were enrolled in a preschool program in the YBFS, an increase from 95.1 per cent in 2014 and 90.9 per cent in 2013 (figure 3.5). The high enrolment rate could be due to the data issues described in box 3.5.

The enrolment rate for 4 year old Aboriginal and Torres Strait Islander children is lower than for all children (87.0 per cent were enrolled in a preschool program in the YBFS), but has increased over time (figure 3.6). The rate was highest in remote areas (90.9 per cent), followed by regional areas (87.7 per cent) and major cities (83.8 per cent) (table 3A.27).

The majority of children (86.7 per cent) and the majority of Aboriginal and Torres Strait Islander children (89.1 per cent) were enrolled in a preschool program for at least 15 hours per week (tables 3A.26 and 3A.29).

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| Figure 3.5 Proportion of 4 year old children enrolled in a preschool program in the YBFS**a** |
| |  | | --- | | Figure 3.5 Proportion of 4 year old children enrolled in a preschool program in the YBFS  More information can be found wtihin the text surrounding this image. | |
| a See box 3.5 and table 3A.25 for detailed definitions, footnotes and caveats. |
| *Source*: Derived from ABS (2013, 2014, 2015 and 2016) *Preschool Education, Australia, 2012, 2013, 2014 and 2015*, Cat. no. 4240.0; ABS (2012, 2013, 2014 and 2015) *Australian Demographic Statistics, Jun 2012, 2013, 2014 and 2015*, Cat. no. 3101.0; table 3A.25. |
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| Figure 3.6 Proportion of 4 year old Aboriginal and Torres Strait Islander children enrolled in a preschool program in the YBFS**a** |
| |  | | --- | | Figure 3.6 Proportion of 4 year old Aboriginal and Torres Strait Islander children enrolled in a preschool program in the YBFS  More information can be found in the text surrounding this image. | |
| a See box 3.5 and table 3A.28 for detailed definitions, footnotes and caveats. |
| *Source*: Derived from ABS (2013, 2014, 2015 and 2016) *Preschool Education, Australia, 2012, 2013, 2014, and 2015*, Cat. no. 4240.0; ABS (2014) *Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026*, Cat. no. 3238.0; table 3A.28. |
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#### Access — children attending preschool

‘Children attending preschool’ is an indicator of governments’ objective to ensure that ECEC services are accessible and target improved access for, and participation of, Aboriginal and Torres Strait Islander children (box 3.6).

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| Box 3.6 Children attending preschool |
| ‘Children attending preschool’ is defined by three measures:   * The proportion of 4 year old children who are attending a preschool program in the YBFS, calculated as the number of children aged 4 and 5 years attending a preschool program in the YBFS as a proportion of children aged 4 years. * As above, for Aboriginal and Torres Strait Islander children by remoteness areas (national only). * The proportion of children enrolled in a preschool program in the YBFS who are attending by Indigenous status.   YBFS data exclude children aged 5 years old who attended a preschool program in the previous year as a 4 year old (to provide an estimate of a single year cohort for the population that will transition to full time schooling in the following year). A child is considered to be attending a preschool program if the child was enrolled and present for at least one hour during the reference period (however, unlike enrolments, they are not counted if they are absent due to illness or extended holiday leave and expected to return). This explains similar enrolment and attendance data in some jurisdictions.  A high or increasing proportion of children attending a preschool program can indicate a high or increasing level of service availability, and is desirable. However, this indicator should be interpreted with caution, as per the reasons outlined in box 3.5.  Data reported for these measures are:   * comparable (subject to caveats) across jurisdictions and over time * complete (subject to caveats) for the current reporting period. All required 2015 data are available for all jurisdictions. |
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In 2015, 96.5 per cent of 4 year old children were attending a preschool program in the YBFS. This is an increase from 91.4 per cent in 2014 and 88.7 per cent in 2013 (figure 3.7). Across all jurisdictions in 2015, the average attendance of children at a preschool program in the YBFS was between 14.1 and 21.6 hours per week (table 3A.32).

Data on the attendance status of all 4 and 5 year olds by sector are presented in tables 3A.33 and 3A.34, and details of the employment status of parents whose children attended preschool services are shown in table 3A.30.

In 2015, the attendance rate of Aboriginal and Torres Strait Islander children in the YBFS was 79.8 per cent — lower than for all children, though it had increased from 2014 (table 3A.36). The rate was highest in regional areas (82.3 per cent), followed by major cities (79.8 per cent) and remote areas (73.4 per cent) (table 3A.35).

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| Figure 3.7 Proportion of 4 year old children attending a preschool program in the YBFS**a** |
| |  | | --- | | Figure 3.7 Proportion of 4 year old children attending a preschool program in the YBFS  More details can be found within the text surrounding this image. | |
| a See box 3.6 and table 3A.31 for detailed definitions, footnotes and caveats. |
| *Source*: Derived from ABS (2013, 2014, 2015 and 2016) *Preschool Education, Australia, 2012, 2013, 2014 and 2015*, Cat. no. 4240.0; ABS (2012, 2013, 2014 and 2015) *Australian Demographic Statistics, Jun 2012, 2013, 2014 and 2015*, Cat. no. 3101.0; table 3A.31. |
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When comparing attendance as a proportion of enrolments, 91.7 per cent of Aboriginal and Torres Strait Islander children who were enrolled in a preschool program in the YBFS were attending, compared with 96.1 per cent of non‑Indigenous children in 2015 (table 3A.37).

#### Access — Non‑standard hours of care in child care services

‘Non‑standard hours of care in child care services’ is an indicator of governments’ objective to ensure that government funded child care services are accessible and flexible (box 3.7).

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| Box 3.7 Non‑standard hours of care in child care services |
| ‘Non‑standard hours of care in child care services’ is defined as the proportion of Australian Government CCB approved child care services that provide non‑standard hours of care, by service type. Definitions of ‘standard hours’ and ‘non‑standard hours’ are provided in section 3.4. |
| (continued next page) |
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| Box 3.7 (continued) |
| A high or increasing proportion of services providing non‑standard hours of care can suggest greater flexibility of services to meet the needs of families. That said, this indicator does not provide information on demand for non‑standard hours of care or whether available non‑standard hours services meet the needs of users.  Provision of non‑standard hours of care can be influenced by a range of factors, such as costs to services and parents, demand for care, availability of carers, and compliance with legislative requirements.  Data reported for this measure are:   * comparable (subject to caveats) across jurisdictions and over time * complete (subject to caveats) for the current reporting period. All required 2016 data are available for all jurisdictions. |
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In September 2016, 26.0 per cent of CCB approved child care services provided non‑standard hours of care, ranging from 44.1 per cent of in home care services to zero per cent of occasional care services (figure 3.8 and table 3A.38).

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| Figure 3.8 Australian Government CCB approved child care services providing non‑standard hours of care, by service type,  2016**a, b** |
| |  | | --- | | Figure 3.8 Australian Government CCB approved child care services providing non-standard hours of care, by service type, 2016  More details can be found within the text surrounding this image. | |
| a Occasional care data are not included. The in home care proportions are zero for, Tasmania and the NT. b See box 3.7 and table 3A.38 for detailed definitions, footnotes and caveats. |
| *Source*: Australian Government Department of Education and Training (unpublished); table 3A.38. |
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#### Access — Service availability

‘Service availability’ is an indicator of governments’ objective to ensure that ECEC services are accessible. Measures and data are yet to be identified.

#### Access — Demand for ECEC

‘Demand for ECEC’ is an indicator of governments’ objective to ensure that ECEC services are accessible (box 3.8).

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| Box 3.8 Demand for ECEC |
| ‘Demand for ECEC’ is defined by two measures:   * The proportion of children aged 0–12 years for whom additional formal child care or preschool services were currently required. * The proportion of children aged 0–12 years in families for whom additional formal child care was required for work‑related reasons.   Additional care currently required refers to children who were already attending formal child care or preschool and parents wished for them to attend more, as well as children who did not attend any formal child care or preschool and parents wished for them to attend. Work‑related reasons include work, looking for work and work‑related study or training.  An increasing proportion of children with expressed need for additional ECEC may suggest that additional services or service availability is required. However, caution should be used when interpreting these data as they are not intended to represent the ‘unmet demand’ for formal child care or preschool services. The data do not identify the likelihood that a parent will take steps to access the care or preschool they require, or place their child in this care or preschool. Various factors including cost, location and the perceived suitability or quality of the service will have an influence on whether parents take these steps.  Data reported for these measures are:   * comparable (subject to caveats) across jurisdictions and over time * complete (subject to caveats) for the current reporting period. All required 2014 data are available for all jurisdictions. |
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##### Proportion of children aged 0–12 years for whom additional formal child care or preschool services were currently required

In 2014, 10.0 per cent of 0–12 year olds required additional formal child care or preschool, up from 5.5 per cent in 2011 (figure 3.9). This comprised 5.6 per cent who had used formal child care or preschool in the past week, 2.3 per cent who had used only informal child care, and 3.1 per cent who had not used any child care or preschool (table 3A.69). However, of those that reported requiring additional services, only about half had applied for additional formal child care or preschool. In addition, 18.9 per cent had reported requiring additional preschool services, but were already using 15 hours of preschool per week (table 3A.70).

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| Figure 3.9 Proportion of children aged 0–12 years who currently required additional formal child care or preschool**a, b** |
| |  | | --- | | Figure 3.9 Proportion of children aged 0-12 years who currently required additional formal child care or preschool  More details can be found within the text surrounding this image. | |
| a Error bars represent the 95 per cent confidence interval associated with each point estimate. b See box 3.8 and table 3A.69 for detailed definitions, footnotes and caveats. |
| *Source*: ABS (unpublished) *Microdata: Childhood Education and Care, Australia, June 2011 and 2014*, Cat. no. 4402.0.55.001; table 3A.69. |
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##### Proportion of children aged 0–12 years in families for whom additional formal child care was currently required for work‑related reasons

In 2014, 3.6 per cent of 0–12 year old children currently required additional formal child care due mainly to a work‑related reason, compared to 2.7 per cent in 2011 (table 3A.67).

#### Access — service affordability — child care service costs

‘Child care service costs’ is an indicator of governments’ objective to ensure that ECEC services are affordable (box 3.9).

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| Box 3.9 Child care service costs |
| ‘Child care service costs’ is defined as the median weekly cost for 50 hours of Australian Government CCB approved long day care and family day care. Median costs represent the middle value of the range of costs. Costs are before and reduction due to the CCB or CCR.  Provided the service quality is held constant, lower service costs are desirable. Cost data need to be interpreted with care, because fees are set independently by service providers and there is significant variation in the fees across services. Costs are influenced by a number of factors including NQF approval requirements, award wages, and whether fees include charges for additional services such as nappies and meals.  Data reported for this measure are:   * comparable (subject to caveats) across jurisdictions and over time * complete (subject to caveats) for the current reporting period. All required 2016 data are available for all jurisdictions. |
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The median weekly cost for 50 hours of care in 2016 was higher for long day care ($425) than for family day care ($383) (figure 3.10). The median weekly cost increased in real terms by 3.7 per cent for long day care and 9.4 per cent for family day care from 2015 to 2016 (table 3A.39). Median weekly costs differ across remoteness areas. In 2016, the median weekly cost of long day care in major cities and inner regional areas ($426) was higher than in outer regional and remote areas ($392) (table 3A.40).

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| Figure 3.10 Median cost of Australian Government CCB approved child care services, by selected service types, 2016**a** |
| |  | | --- | | Figure 3.10 Median cost of Australian Government CCB approved child care services, by selected service types, 2016  More details can be found within the text surrounding this image. | |
| a See box 3.9 and table 3A.39 for detailed definitions, footnotes and caveats. |
| *Source*: Australian Government Department of Education and Training (unpublished); table 3A.39. |
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#### Access — service affordability — preschool service costs

‘Preschool service costs’ is an indicator of governments’ objective to ensure that ECEC services are affordable (box 3.10).

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| Box 3.10 Preschool service costs |
| ‘Preschool service costs’ is defined as the median hourly cost of a preschool program (after subsidies), per child enrolled aged 4 and 5 years. Median costs represent the middle value of the range of costs.  Provided the service quality and quantity is held constant, lower hourly costs represent more affordable preschool. Various factors influence preschool costs and care needs to be exercised when interpreting results, as:   * preschool programs are provided by a mix of providers (community, private and government). Differences in charging practices can be due to commercial or cost recovery decisions made by individual services. Some preschool programs, particularly those offered at government preschools, have no tuition fees * fees can reflect higher land values and rental fees charged in major cities.   In addition, cost information is not collected for all preschool programs. Caution should therefore be used when interpreting median costs.  Data reported for this measure are:   * comparable (subject to caveats) across jurisdictions and over time * complete (subject to caveats) for the current reporting period. All required 2015 data are available for all jurisdictions. |
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Nationally, the median cost per hour for a preschool program (after subsidies) per child was $2.30 in 2015, an increase from $2.15 in 2014 (table 3.7). The median cost is zero for WA, SA, Tasmania, the ACT and the NT as government preschool is free in these jurisdictions.

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| Table 3.7 Median hourly cost of a preschool program (after subsidies), per child enrolled aged 4 and 5 years (2014‑15 dollars)**a** |
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| a See box 3.10 and table 3A.41 for detailed definitions, footnotes and caveats. – Nil or rounded to zero.  **np** Not published |
| *Source*: ABS (unpublished) *Microdata: Preschool Education, Australia, 2013, 2014 and 2015*, Cat. no. 4240.0.55.003; table 3A.41. |
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Median hourly costs differ across remoteness areas. In 2015, the median hourly cost of preschool (after subsidies) in major cities was $2.50, compared to $1.90 in regional areas and zero in remote areas (table 3A.42). Additional information on the hourly cost of preschool programs for children by cost range for 2015 is presented in table 3A.43.

#### Out‑of‑pocket costs of child care

‘Out‑of‑pocket costs of child care’ is an indicator of governments’ objective to ensure that ECEC services are affordable (box 3.11).

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| Box 3.11 Out‑of‑pocket costs of child care |
| ‘Out‑of‑pocket costs of child care’ is defined as the proportion of weekly disposable income that families spend on long day care and family day care before and after the payment of child care subsidies, for families with two income earners with a 60:40 income split and gross annual income of $35 000, $55 000, $75 000, $95 000, $115 000, $135 000, $155 000, $175 000, $195 000 and $215 000. This proportion is reported for families with one child attending long day care or family day care for 50 hours (full time) and 30 hours.  Lower out‑of‑pocket costs of 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. Families who use more care per week are expected to face higher out‑of‑pocket costs.  Care needs to be exercised when interpreting results, because a variety of factors (for example, rates, rental costs and localised costs of living) can influence child care costs. Also, data reflect particular scenarios of child care use and family income level so do not reflect out‑of‑pocket costs by families with different levels of income or care usage.  Data reported for this measure are:   * comparable (subject to caveats) across jurisdictions and over time * complete (subject to caveats) for the current reporting period. All required 2016 data are available for all jurisdictions. |
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The analysis on the basis of 30 hours of care may provide a more meaningful measure of out of pocket costs currently faced by families than the analysis on the basis of 50 hours of care, as it more closely reflects average use. In 2016, the national average for long day care was 28.2 hours attendance per week per child and 29.8 hours for family day care (table 3A.23). Only 10.6 per cent and 16.7 per cent of children attended long day care or family day care for 50 hours or more (Australian Government Department of Education and Training unpublished).

In 2016, there was less variation in out‑of‑pocket costs after subsidies than before subsidies. The out‑of‑pocket costs after subsidies were between 4.4 and 7.2 per cent of weekly disposable income for 30 hours and 7.4 and 12.1 per cent for 50 hours of long day care (figure 3.11). The out‑of‑pocket costs after subsidies varied across states and territories for 30 hours and 50 hours of care (tables 3A.71 and 3A.73).

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| Figure 3.11 Out‑of‑pocket costs of Australian Government CCB approved child care for families with one child in 50 and 30 hours long day care, as a proportion of weekly disposable income, by gross annual family income, Australia, 2016**a** |
| |  | | --- | | Figure 3.11 Out-of-pocket costs of Australian Government CCB approved child care for families with one child in 50 and 30 hours long day care, as a proportion of weekly disposable income, by gross annual family income, Australia, 2016  More details can be found within the text surrounding this image. | |
| a See box 3.11 and tables 3A.71 and 3A.73 for detailed definitions, footnotes and caveats. |
| *Source*: Australian Government Department of Education and Training (unpublished); tables 3A.71 and 3A.73. |
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The out‑of‑pocket costs after subsidies for family day care were generally lower than for long day care — between 4.3 and 6.8 per cent of weekly disposable income for 30 hours and 7.3 and 11.9 per cent for 50 hours in 2016. Out‑of‑pocket costs varied across jurisdictions (tables 3A.72 and 3A.74).

### Quality

#### Staff — staff quality in ECEC

‘Staff quality in ECEC’ is an indicator of governments’ objective to ensure that ECEC services are high quality and meet national qualification requirements under the NQF (although not all services fall in scope of the NQF) (boxes 3.12 and 3.13).

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| Box 3.12 Staff quality in ECEC |
| ‘Staff quality in ECEC’ is defined by two measures:   * The proportion of paid primary contact staff employed by Australian Government CCB approved child care services with a relevant formal qualification (at or above Certificate level III), or three or more years of relevant experience. * The proportion of teachers delivering preschool programs (across all services, not just CCB approved services) who are at least three year university trained and early childhood qualified. Teachers are defined using the following worker roles: principal/director/coordinator/teacher in charge and group leader/teacher. At least three‑year university trained includes: ‘Bachelor degree (3 years or equivalent)’, ‘Bachelor degree (4 years pass and honours)’, ‘Graduate diploma/certificate and above’.   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 a high or increasing proportion is desirable.  Data reported for these measures are:   * comparable (subject to caveats) across jurisdictions and over time for paid primary contact staff employed by Australian Government CCB approved child care services, but not for teachers delivering preschool programs * complete (subject to caveats) for the current reporting period. All required 2016 data for the first measure and 2014 data for the second measure are available for all jurisdictions. |
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| Box 3.13 National Quality Framework |
| The National Quality Framework (NQF) is a uniform national system jointly governed by the Australian Government and State and Territory governments. It aims to raise quality and enable continuous improvement in ECEC through a national applied law regulatory scheme that includes:   * a National Quality Standard (NQS) * a new rating system to complement the NQS * a streamlined regulatory system * the Australian Children’s Education and Care Quality Authority (ACECQA) — the national body responsible for providing oversight of the new system and guiding consistency of approach.   The NQF came into effect from 1 January 2012 and applies to long day care, family day care, and OSHC services and preschools, with the gradual introduction over subsequent years of improved ratios and qualifications.  The NQF replaced the previously separate State and Territory licensing and national quality assurance processes for those services under the NQF. |
| *Source*: Australian Government Department of Social Services (2015 and unpublished). |
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##### Proportion of paid primary contact staff employed by Australian Government CCB approved child care services, by relevant formal qualifications, or three years or more relevant experience

In 2016, 85.5 per cent of the 106 622 paid primary contact staff employed by Australian Government CCB approved child care services had a relevant formal qualification or three or more years relevant experience, an increase from 82.6 per cent in 2013 (figure 3.12 and table 3A.45). The majority of paid primary contact staff with relevant formal qualifications held a diploma or advanced diploma (43.5 per cent), or Certification III or IV (40.0 per cent) (table 3A.46). Additional contextual data on staff are presented in tables 3A.44 and 3A.47–50.

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| Figure 3.12 Paid primary contact staff employed by Australian Government CCB approved child care services with relevant qualification or three or more years of experience, 2016**a** |
| |  | | --- | | Figure 3.12 Paid primary contact staff employed by Australian Government CCB approved child care services with relevant qualification of three or more years of experience, 2016  More details can be found within the text surrounding this image. | |
| a See box 3.12 and table 3A.45 for detailed definitions, footnotes and caveats. |
| *Source*: Australian Government Department of Education and Training, *National Early Childhood Education and Care Workforce Census 2016*; table 3A.45. |
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##### Proportion of teachers delivering preschool programs who are at least three‑year university trained and early childhood qualified

In 2014, there were 18 993 teachers delivering preschool programs, of whom 88.2 per cent had teacher qualifications (that is, at least three‑year university trained in field of early childhood) (table 3A.51).

### Standards

#### Standards — service approvals and licensing

‘Service approvals and licensing’ is an indicator of governments’ objective to ensure that ECEC services are high quality, safe and meet required standards (box 3.14).

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| Box 3.14 Service approvals and licensing |
| ‘Service approvals and licensing’ is defined as the proportion of services complying with regulations covering operational requirements, such as the number of children services can care for, safety standards and the qualification of carers.  Data for this indicator are not available for the 2017 Report. Descriptive information is reported in the interim on State and Territory monitoring and inspection regimes for NQF approved and State and Territory government licensed or registered services (table 3A.76). |
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#### Standards — achievement of the NQS

‘Achievement of the NQS’ is an indicator of governments’ objectives to ensure that ECEC services are high quality, meet required standards and are delivered in a safe, nurturing and inclusive environment (box 3.15).

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| Box 3.15 Achievement of the NQS |
| ‘Achievement of the NQS’ is defined as the proportion of NQF approved services with a quality rating, whose overall rating is ‘Meeting NQS’ or ‘Exceeding NQS’.  Services receive an overall rating of Meeting NQS if they are rated as Meeting NQS in all seven quality areas or have a mix of quality areas rated Meeting NQS and Exceeding NQS. Services receive an overall rating of Exceeding NQS if four or more quality areas are rated as Exceeding NQS, including two of the four following quality areas: Quality Area 1, Quality Area 5, Quality Area 6 and Quality Area 7 (ACECQA 2016) (see section 3.4 for further information on NQS achievement).  A high proportion of services with quality areas Meeting NQS or Exceeding NQS suggests a high quality of service.  Data reported for this measure are:   * comparable (subject to caveats) across jurisdictions and over time * complete (subject to caveats) for the current reporting period. All required data as at 30 June 2016 are available for all jurisdictions. |
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At 30 June 2016, 79.7 per cent of NQF approved services had received a quality rating (table 3A.52). A higher proportion of centre‑based care services received a quality rating than family day care services. Of the services that had been rated, 70.4 per cent met or exceeded the NQS overall (40.7 per cent met; 29.7 per cent exceeded) (figure 3.13). The proportion of NQF approved services with a rating level who met or exceeded the NQS was highest for quality areas 4 (staffing arrangements — 92.4 per cent), 5 (relationships with children — 92.3 per cent) and 6 (partnerships with families and communities — 90.5 per cent). The quality area with the lowest proportion of services having met or exceeded the NQS was quality area 1 (educational program and practice — 78.2 per cent) (tables 3A.53–59).

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| Figure 3.13 Proportion of NQF approved services with a quality rating, by overall quality rating level, 30 June 2016**a, b** |
| |  | | --- | | Figure 3.13 Proportion of NQF approved services with a quality rating, by overall quality rating level, 30 June 2016  More details can be found within the text surrounding this image. | |
| a The percentages for significant improvement required are zero for Victoria, WA, SA, Tasmania and the ACT, 0.2 per cent for NSW and 0.1 per cent for Queensland and Australia. b See box 3.15 and table 3A.52 for detailed definitions, footnotes and caveats. |
| *Source*: ACECQA (2016) *NQF Snapshot Q2 2016*; table 3A.52. |
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#### Standards — substantiated breaches arising from complaints

‘Substantiated breaches arising from complaints’ is an indicator of governments’ objectives to ensure that ECEC services are high quality, meet required standards and are delivered in a safe, nurturing and inclusive environment (box 3.16).

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| Box 3.16 Substantiated breaches arising from complaints |
| ‘Substantiated breaches arising from complaints’ is defined as the number of substantiated breaches arising from complaints divided by the number of NQF approved services, multiplied by 100. A substantiated breach arising from a complaint is an expression of concern about an ECEC service made to the regulatory authority, which constitutes a failure by the service to abide by relevant legislation, regulations or conditions. The concern is investigated and subsequently considered to have substance by the regulatory body.  Breaches 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 NQF approval 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.  All else being equal, a low or decreasing rate of substantiated breaches arising from complaints can suggest a higher quality service. A high or increasing rate of substantiated breaches does not necessarily mean that a jurisdiction has lower service safety and quality, it might mean it has a more effective reporting and monitoring regime.  Breaches data need to be interpreted with care, because:   * one complaint can lead to, or be linked to, multiple breaches * breaches identified as a result of normal monitoring and inspection visits are excluded from these data * clients who are well informed can be more likely to make a complaint than less informed clients. 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.   Data reported for this measure are:   * comparable (subject to caveats) across jurisdictions but a break in series means that data for 2015‑16 and 2014‑15 (in the 2016 Report) are not comparable to data for 2013‑14 (in the 2015 Report) * complete for the current reporting period. All required 2015‑16 data are available. |
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There were 16 substantiated breaches arising from complaints per 100 NQF approved services in 2015‑16, with the highest number for long day care (28 per 100 services) and family day care (21 per 100 services) (tables 3.8 and 3A.60). Action was taken against 71.1 per cent of all substantiated breaches arising from complaints. Data on substantiated breaches arising from complaints in State and Territory government licensed or registered services are provided in table 3A.61.

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| Table 3.8 Rate of substantiated breaches arising from complaints, per 100 NQF approved services, 2015‑16**a** |
| |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | NSW | Vic | Qld | WA | SA | Tas | ACT | NT | Aust | | 25 | 10 | 17 | 16 | 3 | 3 | 14 | 10 | 16 | |
| a See box 3.16 and table 3A.60 for detailed definitions, footnotes and caveats. |
| *Source*: ACECQA and State and Territory governments (unpublished) *NQAITS*; table 3A.60. |
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#### Health and safety — hospital separations for external causes of injury

‘Hospital separations for external causes of injury’ is a proxy indicator of governments’ objective to ensure that ECEC services are delivered in a safe environment (box 3.17).

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| Box 3.17 Hospital separations for external causes of injury |
| ‘Hospital separations for external causes of injury’ is defined as the number of hospital separations for children aged 0–4 years resulting from an external cause of injury occurring in ‘school’ as a proportion of total hospital separations for children aged 0–4 years resulting from an external cause of injury.  ‘School’ incorporates a range of formal ECEC settings including preschools and centre‑based child care services. Data are limited to children aged 0–4 years to reduce the likelihood that the ‘school’ place of occurrence includes primary schools, which children generally attend when they are 5 years or older. 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 illness or condition (such as asthma) are excluded.  Low or decreasing hospitalisations for external causes of injury for children aged 0–4 years occurring in a ‘school’ can indicate the safety of ECEC services has improved.  All hospital separation data need to be interpreted with care because:   * no place of occurrence was reported for some hospitalisations of children aged 0–4 years * the data can capture children who were injured at ‘school’ services without necessarily attending them * ‘school’ services can include non‑ECEC services such as primary schools, but might not include family day care services.   Data reported for this measure are:   * comparable (subject to caveats) across jurisdictions and over time * complete (subject to caveats) for the current reporting period. All required 2014‑15 data are available for all jurisdictions. |
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In 2014‑15, 2.9 per cent of injuries to children aged 0–4 years that resulted in a hospital admission were reported as occurring at ‘school’ — a similar proportion to previous years. The largest proportion were reported as occurring at home (35.0 per cent), reflecting that children in this age group spend the majority of their time in the home and many do not attend ECEC (table 3A.62).

### Efficiency

#### Inputs per output unit — total government recurrent expenditure on ECEC per child in the community

‘Total government recurrent expenditure on ECEC per child in the community’ is an indicator of governments’ objective for ECEC services to be efficient (box 3.18).

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| Box 3.18 Total government recurrent expenditure on ECEC per child in the community |
| ‘Total government recurrent expenditure on ECEC per child in the community’ is defined as combined Australian Government and State and Territory government recurrent expenditure on ECEC per child aged 0–12 years in the community.  Efficiency data should be interpreted with care because:   * changes in expenditure per child could represent changes in government funding policy. While high or increasing unit costs can reflect deteriorating efficiency, they can also reflect increases in the quality or quantity of service provided. Similarly, low or declining expenditure per child can reflect improving efficiency or lower quality or quantity. Provided the level and quality of, and access to, services remain unchanged, lower expenditure per child can indicate greater efficiency of government expenditure * differences in reported efficiency results across jurisdictions can reflect differences in definitions and counting and reporting rules. Information on the comparability of expenditure is shown in table 3A.7.   All Australian Government recurrent expenditure reported for this indicator is provided for child care services, whereas State and Territory government recurrent expenditure covers both child care and preschool services.  Data reported for this measure are:   * comparable (subject to caveats) within jurisdictions over time but are not comparable across jurisdictions * complete (subject to caveats) for the current reporting period. All required 2015‑16 data are available for all jurisdictions. |
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In 2015‑16, combined Australian Government and State and Territory government real recurrent expenditure on ECEC per child in the community aged 0–12 years was $2288, an increase of $611 since 2011‑12 (figure 3.14). Australian Government recurrent expenditure accounted for $1892 of this expenditure, up from $1364 in 2011‑12 (table 3A.63), while State and Territory government expenditure accounted for $396 of this expenditure, up from $313 in 2011‑12 (table 3A.64).

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| Figure 3.14 Total government real recurrent expenditure on ECEC per child aged 0–12 years**a** |
| |  | | --- | | Figure 3.14 Total government real recurrent expenditure on ECEC per child aged 0-12 years  More details can be found within the text surrounding this image. | |
| a See box 3.18 and table 3A.65 for detailed definitions, footnotes and caveats. |
| *Source*: Australian Government Department of Education and Training (unpublished); State and Territory governments (unpublished); ABS (unpublished) *Australian Demographic Statistics, Dec 2015* (and previous editions), Cat. no. 3101.0; table 3A.65. |
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#### Inputs per output unit — Australian Government recurrent expenditure per child attending CCB approved child care

‘Australian Government recurrent expenditure per child attending CCB approved child care’ is an indicator of governments’ objective for ECEC services to be efficient (box 3.19).

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| Box 3.19 Australian Government recurrent expenditure per child attending CCB approved child care |
| ‘Australian Government recurrent expenditure per child attending CCB approved child care’ is defined as Australian Government recurrent expenditure per child aged 0–12 years attending Australian Government CCB approved child care services. |
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| Box 3.19 (continued) |
| Efficiency data should be interpreted with care because changes in expenditure per child could represent changes in government funding policy. While high or increasing unit costs can reflect deteriorating efficiency, they can also reflect increases in the quality or quantity of service provided. Similarly, low or declining unit costs can reflect improving efficiency or lower quality or quantity. Provided the level and quality of, and access to, services remain unchanged, lower recurrent expenditure per child can indicate greater efficiency of government expenditure.  Data reported for this measure are:   * comparable (subject to caveats) across jurisdictions and over time * complete (subject to caveats) for the current reporting period. All required 2015‑16 data are available for all jurisdictions. |
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Australian Government recurrent expenditure per child attending CCB approved child care services was $6096 in 2015‑16, up from $5205 in 2011‑12 (table 3A.66).

### Outcomes

#### Family work‑related needs for child care

‘Family work‑related needs for child care’ is an indicator of governments’ objective for ECEC services to meet the needs of family (box 3.20).

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| Box 3.20 Family work‑related needs for child care |
| ‘Family work‑related needs for child care’ is defined as the proportion of people aged 15 years and over not in the labour force due to caring for children, who report the main reason for not being in the labour force as child care service‑related.  A relatively small or decreasing proportion of people not in the labour force due to caring for children who report the main reason for not being in the labour force as child care service‑related may indicate that services are meeting the needs of families. However, there are a number of factors which affect the labour force participation decisions of people responsible for caring for children, of which child care service‑related reasons are a subset. Also, due to the subjective nature of self‑reporting, care should be taken when interpreting the data, particularly for child care service‑related reasons.  Data reported for these measures are:   * comparable (subject to caveats) across jurisdictions and over time * complete (subject to caveats) for the current reporting period. All required 2015 data are available for all jurisdictions. |
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In 2015, 281 800 people aged 15 years and over reported that they were not in the labour force due to caring for children (table 3A.68). Of these people, over 40 per cent reported not being in the labour force for a child care service‑related reason, with the most common reason given being cost of child care (34.0 per cent). The most common non‑service‑related reason was a preference to look after children (at 27.5 per cent) (table 3A.68).

#### ECEC outcomes

‘ECEC outcomes’ is an indicator of governments’ objective to provide ECEC services that meet the education, care, and development needs of children (box 3.21).

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| Box 3.21 ECEC outcomes |
| ‘ECEC outcomes’ is defined as the proportion of children with ECEC experience who are developmentally vulnerable on one or more domains of the Australian Early Development Census (AEDC). The AEDC collects data from teachers on the early childhood development of children when they are in their first year of full‑time schooling. Children are considered developmentally vulnerable in a domain if they score below the 10th percentile. The domains are: language and cognitive skills; physical health and wellbeing; social competence; emotional maturity; and communications skills and general knowledge.  A low proportion of children who received ECEC reported as developmentally vulnerable is desirable, and a lower proportion of children who received some ECEC reported as developmentally vulnerable compared to children who did not receive any ECEC could indicate that receiving ECEC leads to better development outcomes. However, results should be interpreted with caution as:   * these data report on the correlation between ECEC experience and development outcomes. The causal impact of ECEC experience on development outcomes cannot be determined from these data * ECEC experience is just one factor contributing to development. A range of other factors also influence development outcomes, including parental and family circumstances and other services such as health and parenting support * ECEC experience is reported by the teacher, and therefore, dependent on the teacher’s knowledge of the child’s previous experience * the data do not include how much ECEC (for example, hours per week) children received * not all children in the dataset have a complete response for whether or not they attended ECEC.   Data reported for this measure are:   * comparable (subject to caveats) across jurisdictions and over time * complete (subject to caveats) for the current reporting period. All required 2012 and 2015 data are available for all jurisdictions. |
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In 2015, 22.0 per cent of children in their first year of full‑time schooling were developmentally vulnerable on one or more domains — unchanged from 2012 (figure 3.15 and table 3A.75). Children who received some ECEC were less likely to be developmentally vulnerable on one or more domains (19.9 per cent), compared to children who did not receive any ECEC (38.5 per cent).

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| Figure 3.15 Proportion of children developmentally vulnerable on one or more domains of the AEDC, by ECEC experience, 2015**a** |
| |  | | --- | | Figure 3.15 Proportion of children developmentally vulnerable on one or more domains of the AEDC, by ECEC experience, 2015  More details can be found within the text surrounding this image. | |
| a See box 3.21 and table 3A.75 for detailed definitions, footnotes and caveats. |
| *Source*: Australian Government Department of Education and Training (unpublished) *Australian Early Development Census 2015*; table 3A.75. |
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## 3.4 Definitions of key terms

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| **Aboriginal and Torres Strait Islander children** | Children of Aboriginal or Torres Strait Islander origin who self‑identify or are identified by a parent or guardian to be of Aboriginal or Torres Strait Islander origin. Aboriginal and Torres Strait Islander children were previously reported as Indigenous children in RoGS. |
| **Administration expenditure** | Administration expenditure includes all expenditure by the responsible departments associated with the provision of licensing, advice, policy development, grants administration and training services. Responsible departments include those departments that administer policy for, fund, and license/accredit child care and preschool services in each jurisdiction. |
| **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** | Children in families with gross income (excluding Family Tax Benefit) of less than the annual income threshold for receiving the maximum rate of CCB. |
| **Children from non‑English‑speaking backgrounds** | Children living in situations where the main language spoken at home is not English. |

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| **Children with disability** | A child that has a need for additional assistance in any of the following areas (learning and applying knowledge, education; communication; mobility; self‑care; interpersonal interactions and relationships; other‑ including general tasks, domestic life, community and social life) compared to children of a similar age, that is related to underlying long term health condition or disability (long term is longer than six months). |
| **Completeness** | Data are considered complete if all required data are available for all jurisdictions that provide the service. |
| **Family day care** | Services providing small group early childhood education and care for children in the home environment of a registered carer. Family day care is primarily aimed at 0–5 year olds, but primary school children may also receive the service before and after school, and during school holidays. Staff work in partnership with scheme management and coordination unit staff. |
| **Financial support to families** | Financial support to families includes any form of fee relief paid by governments to the users of ECEC services (for example, CCB). |
| **Formal child care** | Organised education and care provided by a person other than the child’s parent or guardian, usually outside of the child’s home — includes, long day care, family day care, OSHC, vacation care, occasional care (excluding babysitting) , other care and in home care. |
| **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], primary teaching, other teaching, nursing [including mothercraft nursing], psychology and social work). |
| **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. |
| **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 CCB for Registered Care) is provided. Such care is unregulated in most states and territories. |
| **In home care** | Education and care service 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 can 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:   * management or financial training * training for additional needs children (such as children with 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). |
| **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. Some long day care centres may also provide preschool and kindergarten services (i.e. a preschool program) and OSHC (see relevant definitions). Long day care services may operate from stand‑alone or shared premises, including on school grounds. |
| **Management type** | When the concept relates to data reported using the National Quality Agenda Information Technology System: the kind of management structure the service provider has.  When the concept relates to data reported using the National Early Childhood Education and Care Collection (Preschool Education, Australia) (based on the National Minimum Data Set): the type of legal or social entity responsible for managing the delivery of an ECEC service.  In both cases the management type categories are: private not for profit – community managed; private not for profit – other organisation, State and Territory and Local government managed; private for profit; State and Territory government schools; independent schools; catholic schools and other. Some services may have a management type of not stated/inadequately described. |
| **National Quality Framework (NQF) approved** | Under the (NQF), an approved provider must apply for and be granted a service approval for each education and care service it wants to operate. There are two types of approved services under the NQF:   * Centre‑based care service: an education and care service other than a family day care service. This includes most long day care, preschool and OSHC services that are delivered at a centre. * Family day care service: an education and care service delivered through the use of two or more educators to provide education and care for children in residences, whether or not the service also provides education and care to children at a place other than the residence. |
| **National Quality Standard (NQS) achievement (meeting and exceeding quality standards)** | NQF approved services are rated against the NQS. To determine a rating for each quality area within a service, 58 elements, located across the 18 standards, are assessed as being met or not met. If all elements in a standard are met, the standard will be rated as Meeting NQS or Exceeding NQS. Each quality area is then rated by calculating the rating of all of the standards within that quality area.  If all standards are met, the quality area will be rated as Meeting NQS. If at least two of the standards are rated Exceeding NQS and all other standards are met, the quality area will be rated Exceeding NQS. A large number of services have a rating of Working Towards NQS as the NQS sets a higher benchmark for all children’s education and care services. Services are expected to work towards meeting the higher benchmark.  Services receive an overall rating of Exceeding NQS if four or more quality areas are rated as Exceeding NQS, including two of the four following quality areas: Quality Area 1, Quality Area 5, Quality Area 6 and Quality Area 7. Services with an overall rating of Exceeding NQS can apply to ACECQA to be awarded an Excellent rating. Services with an overall rating of Excellent are included in data for services with an Exceeding NQS rating. |
| **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 fall below threshold capitalisation levels, depreciation or costs associated with maintaining, renting or leasing equipment. |
| **Non‑standard hours of care** | Defined by service type as:   * long day care — service operates before 7 am or after 6.30 pm on any day Monday to Friday or on weekends (to be considered a service offering non‑standard hours of care just need to meet 1 of these 3 criteria) * family day care — service operates before 7 am, or after 6.30 pm on any day Monday to Friday or overnight or on weekends (to be considered a service offering non‑standard hours of care only need to meet 1 of these 4 criteria) * vacation care — service operates before 7 am or after 6.30 pm on any day Monday to Friday (to be considered a service offering non‑standard hours of care only need to meet 1 of these 2 criteria) * OSHC — service operates before 7 am (before school) or after 6.30 pm (after school) on any day Monday to Friday (to be considered a service offering non‑standard hours of care only need to meet 1 of these 2 criteria) * occasional care — service operates before 7 am or after 6.30 pm on any day Monday to Friday or on weekends (to be considered a service offering non‑standard hours of care only need to meet 1 of these 3 criteria) * other — service operates before 7 am or after 6.30 pm on any day Monday to Friday or on weekends (to be considered a service offering non‑standard hours of care only need to meet 1 of these 3 criteria). |
| **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 education and care activities for children, and are primarily aimed at 0–5 year olds. Centres providing these services usually employ a mix of qualified and other staff. |
| **Other care** | A child care service type in this Report that does not meet any of the other child care service type definitions. It may include services which support children with additional needs or in particular situations (including Aboriginal and Torres Strait Islander children, children from NESB, children with disability or of parents with disability, and children living in regional and remote areas). Other care services may include 3 year old preschool (or kindergarten) services (which do not meet the preschool service definition because they are not delivered by a qualified teacher), mobile services, playschools and nannies. Usage of other care services is reported only for State and Territory government funded services (i.e. non‑CCB approved services). |
| **Outside school hours care (OSHC)** | Services that provide care for school aged children before school, after school, during school holidays, and on pupil free days. OSHC may use stand‑alone facilities, share school buildings and grounds and/or share facilities such as community halls. |
| **Preschool program** | A preschool program is a structured, play‑based learning program, delivered by a qualified teacher, aimed at children in the year or two before they commence full time schooling. This definition of a preschool program is the same for all types of institutions that provide it, for all service settings and includes both government funded and privately provided preschool programs. Although various delivery models of preschool programs exist across jurisdictions, the YBFS is the term used to describe the ‘preschool’ program cohort.  Preschool programs delivered to children in the year before full time schooling are intended to be available for a minimum of 600 hours per calendar year (or 15 hours per week for 40 weeks) (as per the NP UAECE). Children aged 3 to 6 years may be enrolled in a preschool program in the YBFS although the programs are typically delivered to 4 and 5 year olds. |
| **Preschool services** | Services which deliver a preschool program. The preschool service type can be delivered from a range of service settings. Service settings include stand‑alone preschools or kindergartens, preschools attached to a school and other service centres, such as long day care centres. |
| **Primary contact staff** | Staff whose primary function is to provide child care and/or preschool services to children. |
| **Real expenditure** | Actual expenditure adjusted for changes in prices. Adjustments were made using the General Government Final Consumption Expenditure 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). |
| **Reference period** | The reference period refers to when data are collected during the financial year or point in time. |
| **Regional and remote areas** | Regional and remote areas refer to remoteness areas based on the ABS’ Australian Statistical Geography Standard. 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. Regional areas includes ‘inner regional’ and ‘outer regional’ areas. Remote areas includes ‘remote’ and ‘very remote’ areas. |
| **Service** | A service refers to an individual location or establishment providing an ECEC service or services. One service (i.e. location or establishment) may provide more than one ECEC service type, i.e. provide a long day care service and preschool service, or two child care service types. |
| **Service type** | Refers to the following categories of ECEC services:   * long day care * family day care * OSHC * before/after school care * vacation care * occasional care * in home care (for CCB approved services) * other care (for State and Territory government funded services) * preschool services.   All service type categories are considered child care services, except for preschool services. |
| **Special needs group** | An identifiable group within the general population who can have special difficulty accessing services. Special needs groups for which data are reported in this chapter include: children from NESB; Aboriginal and Torres Strait Islander children; children from low‑income families (CCB approved child care services only); children with disability; and children from regional or remote areas. |
| **Standard hours of care** | Defined by service type as:   * long day care — service opens at 7 am or later and closes at 6.30 pm or earlier every day Monday to Friday (does not operate on weekends) * family day care — service operates at 7 am or later and no later than 6.30 pm every day Monday to Friday (does not operate on weekends or overnight) * vacation care — service operates at 7 am or later and no later than 6.30 pm every day Monday to Friday * OSHC — service opens at 7 am or later (before school) and closes at 6.30 pm or earlier (after school) every day Monday to Friday * occasional care — service operates at 7 am or later and no later than 6.30 pm every day Monday to Friday (does not operate on weekends) * in home care — service operates at 7 am or later and no later than 6.30 pm every day Monday to Friday (does not operate on weekends)   Also see non‑standard hours of care definition. |
| **State/Territory government (only) funded** | State and Territory government financed services — in particular, services that only receive State and Territory government contributions towards providing a specified service (i.e. excluding services which receive Australian Government funding) . |
| **State/Territory government licensed** | 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. State and Territory government licensed services are not NQF approved. |
| **Vacation care** | Services provided for children enrolled in schools (4–12 year olds) during the school holidays. |

## 3.5 References

ACECQA (Australian Children’s Education and Care Quality Authority) 2016,   
*NQF Snapshot, Q2 2016*, Sydney.

Australian Government Department of Social Services, 2015, Legislation, ratings and standards information on the National Quality Framework, viewed 25 August 2015, *<*https://www.dss.gov.au/our‑responsibilities/families‑and‑children/programmes‑services/early‑childhood‑child‑care/legislation‑ratings‑and‑standards‑information‑on‑the‑national‑quality‑framework>.

OECD (Organisation for Economic Co‑operation and Development) 2006, *Starting Strong II: Early Childhood Education and Care*, Paris.

1. The NQF includes the National Quality Standard (NQS), which sets a national benchmark for the quality of services, in seven key quality areas for 18 standards (section 3.3). [↑](#footnote-ref-1)
2. Data for 2016 related to Australian Government CCB approved child care services are for the March quarter, unless specified otherwise. [↑](#footnote-ref-2)