



FAMILY DAY CARE AUSTRALIA
**FAMILY DAY CARE
SECTOR PROFILE**
DECEMBER 2021



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1. Introduction

Welcome to Family Day Care Australia's (FDCA) latest edition of FDCA's Family Day Care Sector Profile.¹ This bi-annual report provides information and analysis relating to the general profile of the family day care sector, the location of educators and services, educators' age, and services' National Quality Standard (NQS) quality ratings.²

This edition consolidates and analyses several data sources for the six-month period 1 January - 30 June 2021 to provide ongoing insight into the nature of the family day care sector. Historical data for the previous 12 months is also presented for comparison purposes. Data is derived from FDCA internal educator member records³ as well as service data from the Australian Government Child Care Finder, the Australian Children's Education and Care Quality Authority (ACECQA), and the Australian Bureau of Statistics.

In addition to analysis of relevant data, Section 1.2, "*Family Day Care in Action*", shares a story from the field that showcases the unique strengths of family day care in supporting the development of each child's individual potential and meeting the diverse needs of children and families in Australia. In this edition, we take a look at Baw Baw Shire Family Day Care, a council run family day care service located in the rural Gippsland region of eastern Victoria.



1.1 About Family Day Care Australia

FDCA is an apolitical, independent, not for profit, national member association representing family day care educators and approved family day care services.

Our mission is to represent, support and promote the family day care sector in delivering high quality early childhood education and care to more Australian children. For more information about FDCA go to familydaycare.com.au

¹ All FDCA Family Day Care Sector Profile reports can be accessed at <http://www.familydaycare.com.au/representing-you/sector-profile>

² Due to rounding, individual percentages in the tables and figures may not add up to 100%.

³ All FDCA data provided within this report is presented in line with FDCA's Privacy Policy.

1.2 Family Day Care in Action



At Baw Baw Shire Family Day Care, a council run family day care service located in the rural Gippsland region of eastern Victoria, there is a strong emphasis on creating a team of professionals that value and respect each other whilst delivering quality care.

Over the 32 years it has been in operation, Baw Baw Shire Family Day Care has fostered a rich learning environment that prioritises cohesive working relationships, and continually strives to provide families with the highest possible quality education and care. The service takes great pride in the fact that they support their staff and educators with an established cycle of professional development, reflective practice and numerous other avenues of support.

Maintaining their professional practices throughout the ongoing COVID-19 pandemic was a high priority for Baw Baw Shire Family Day Care, and they implemented several changes to ensure continued quality outcomes for children and families.

Throughout 2021, the team at Baw Baw Shire Family Day Care undertook training for mental health and wellbeing in order to support themselves, and the wellbeing of families. Educators and staff at the service also linked with other family day care services for role specific trainings and educational leadership opportunities, to allow the sharing and gaining of knowledge.

Despite the many challenges they encountered due to COVID-19, Baw Baw Shire Family Day Care continued to provide a wealth of avenues through which the team could build relationships and a sense of belonging, including peer leadership programs, a strong social media network, play sessions and social events.

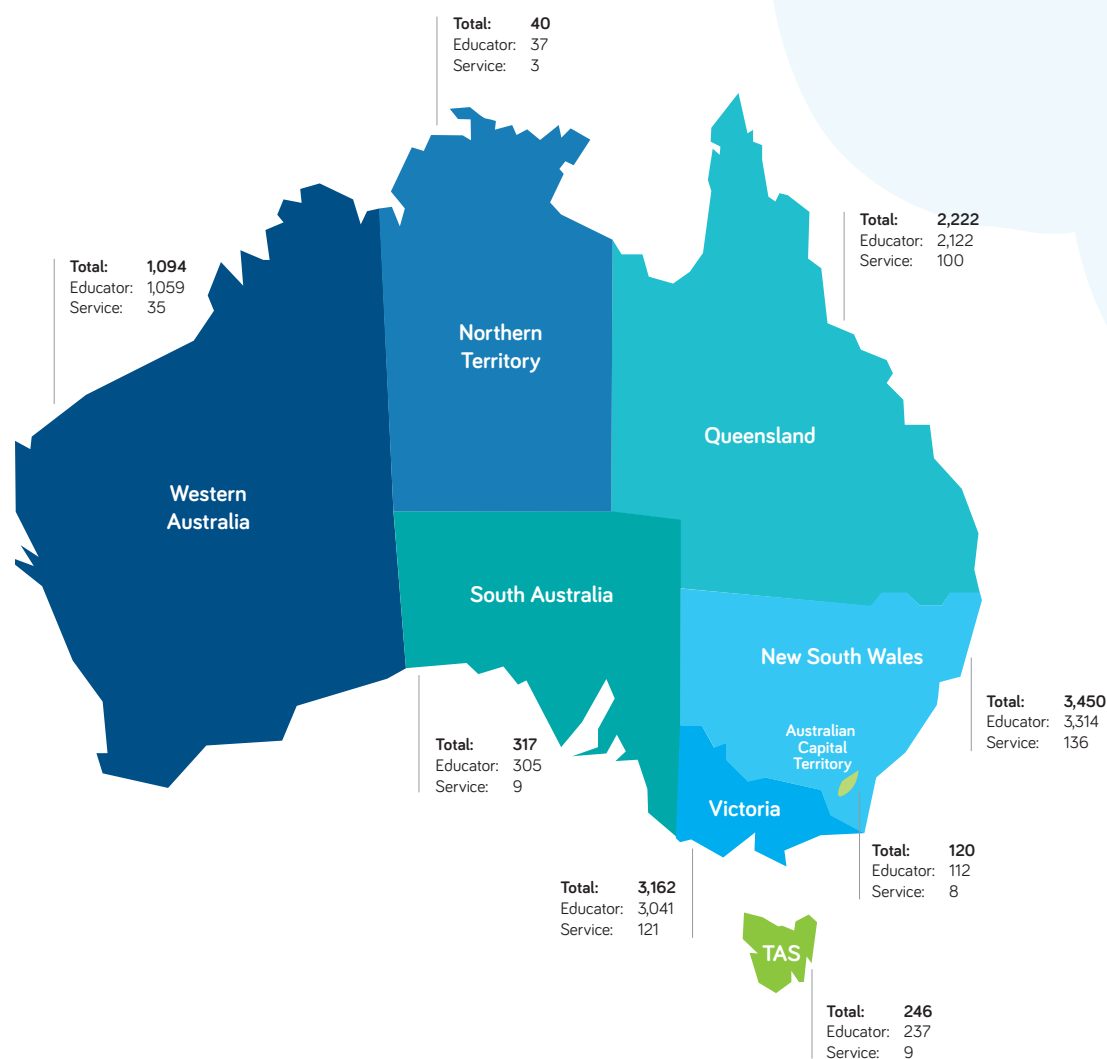
Baw Baw Shire Family Day Care was recently awarded *Service of the Year* in FDCA's 2021 *Excellence in Family Day Care Awards*.

2. State of the Sector

Figure 1 below presents the number of family day care services⁴ and FDCA educator members,⁵ by state and territory. As of 31 December 2021, the total number of family day care services nationally is 424 and FDCA educator members total 10,227.

Victoria and New South Wales continue to be the states with the largest family day care communities, with New South Wales maintaining its lead over Victoria as the state reporting the largest number of educators (3,314 compared to Victoria's 3,041) and services (136 compared to Victoria's 121). The Northern Territory remains the smallest family day care community with 3 services and 37 educators.

FIGURE 1: NUMBER OF FAMILY DAY CARE SERVICES AND EDUCATORS AS AT 31 DECEMBER 2021



⁴ Service numbers are based on the numbers of Child Care Subsidy (CCS) approved services as recorded at the Australian Government Child Care Finder. This edition's figures were sourced on 31 December 2021.

⁵ According to FDCA educator member records as of 31 December 2021.

2.1 Educator Member Numbers

Table 1 below provides a breakdown of FDCA educator members by state and territory from 31 December 2020 to 31 December 2021.

Over the last two quarters from 30 June 2021 to 31 December 2021 there continued to be a contraction in total numbers of educator members nationally (6%), as well as declines of varying magnitudes across most states and territories. This is consistent with the ongoing general downward trend apparent since 2016. The greatest proportional decrease in educator numbers over the last six-month reporting period occurred in Tasmania (8.5%) with a decline of 22 educators, closely followed by South Australia (8.4%), with a decline of 28. The next largest proportional decrease occurred in the state of New South Wales (7.4%)

Collectively, New South Wales, Victoria and Queensland continue to hold the largest proportion of family day care educator members nationally, representing 82.9% of total educator members across the three states. This proportion of total educators has remained relatively stable over the past 12 months, despite continuing declines in actual educator member numbers.

FDCA continues to be very concerned about the continued downward trend in numbers of family day care educators and services. This downturn, evident since 2016, not only has negative implications for the long-term sustainability of the family day care sector, but it will also impact adversely on Australian families now and in the future as they look to meet their diverse child care needs, including access to flexible sessions and care during non-standard hours.

Family day care educators comprise one of Australia's largest networks of women in small business. With the right form of targeted support from governments, there is room to grow the capacity in the family day care sector and at the same time assist the current workforce crisis in the early childhood education and care sector, particularly in regional and remote Australia as well as in disadvantaged areas.

TABLE 1: EDUCATOR MEMBER NUMBERS BY STATE AND TERRITORY FROM 31 DECEMBER 2020 TO 31 DECEMBER 2021.

State	Dec-20	Jun-21	Dec-21
Queensland	2,356	2,243	2,122
New South Wales	3,764	3,578	3,314
Australian Capital Territory	119	114	112
Victoria	3,354	3,221	3,041
Tasmania	278	259	237
South Australia	356	333	305
Western Australia	1,096	1,094	1,059
Northern Territory	41	36	37
Total	11,364	10,878	10,227



2.2 Educator Age

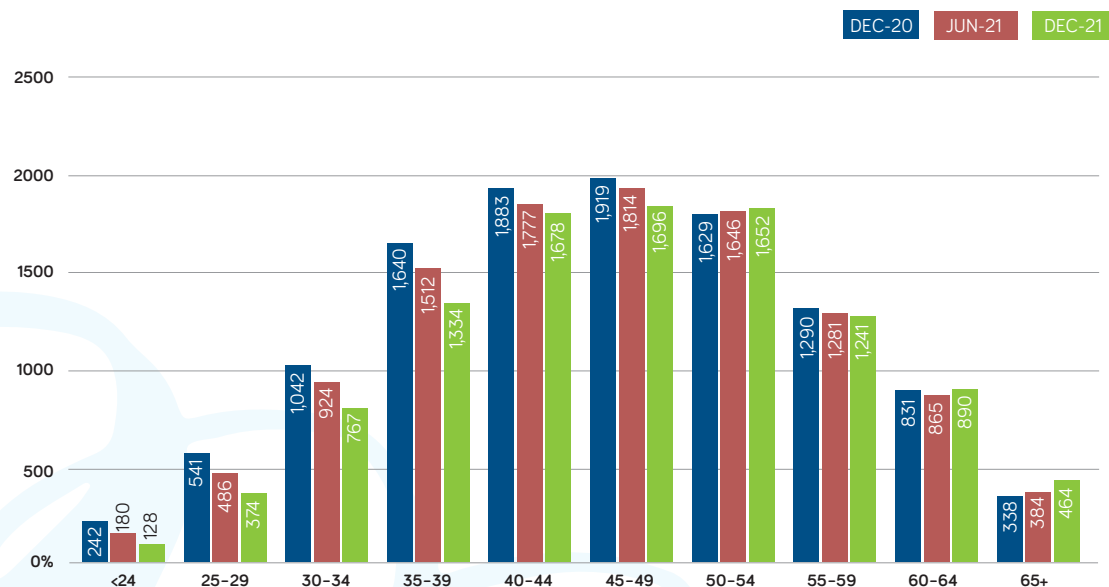
Analysis of FDCA educator member data over the two quarters ending 31 December 2021, reveals the strengthening of a trend that began to emerge over the past 2-3 years towards an increasingly mature age profile (see Figure 2 below). The age groups with the highest proportion of educator members are now in the 40-44 age group (16.4%), the 45-49 age group (16.6%) and the 50-54 age bracket (16.2%).

From 30 June 2021 – 31 December 2021, there has been a decrease in all educator age brackets, except for the 50-54, 60-64, and 65+ age groups, which have seen proportional increases of 0.4%, 2.9% and 20.8% respectively. This compares to increases of 1%, 4.1% and 13.6% for the same age brackets in the last reporting period.

During this reporting period, the three largest proportional decreases have occurred in the younger age groups: the <24 age group (28.9 %), 25-29 age bracket (23.1%), and the 30-34 age group (16.9%). This continues to reflect the trend, first evident in September 2017, of younger educators exiting the sector at an increased rate, especially those under the age of 30.

The progressively ageing demographic of educators, in addition to the overall decline in numbers, is of great concern to FDCA in terms of the future long-term viability of the sector. We continue to advocate innovative ways to strengthen the sector's viability through our representations to government and other key stakeholders.

FIGURE 2: EDUCATOR MEMBER NUMBERS BY AGE AS OF 31 DECEMBER 2021.



2.3 Service Numbers

Table 2 below shows a breakdown of the total number of family day care services⁶ by state and territory over the two quarters from 30 June 2021 to 31 December 2021.

Although continuing a downward trend, the data on service numbers for this six-month reporting period show greater stability, compared to numbers of educators. Over the last two quarters, the total number of family day care services nationally declined by 1.2%. This compares with a decline of 7.5% nationally over the previous six months to 30 June 2021.

During the current reporting period, the most significant proportional decrease evident was in the state of Western Australia (2.8%), while the states of New South Wales, Victoria and Queensland all suffered smaller declines of less than 2% (1.5%, 0.8% and 1% respectively). There was no change to the numbers of services in the Australian Capital Territory, Tasmania, South Australia and the Northern Territory.

TABLE 2: SERVICE NUMBERS BY STATE AND TERRITORY FROM 31 DECEMBER 2020 TO 31 DECEMBER 2021.

State	Dec-20	Jun-21	Dec-21
Queensland	107	101	100
New South Wales	150	138	136
Australian Capital Territory	6	8	8
Victoria	137	122	121
Tasmania	9	9	9
South Australia	13	12	12
Western Australia	39	36	35
Northern Territory	3	3	3
Total	464	429	424

⁶ See Note 4 above.

3. Location

3.1 Remoteness Area

Educator members

Table 3 below provides a breakdown of FDCA educator members' location by remoteness area from 30 December 2020 to 31 December 2021.⁷

In the past two quarters declines in the number of educators are evident across all remoteness categories. The category which saw the largest decrease in actual numbers (n=456) over the past six months was once again the *Major Cities of Australia*. However, this did not translate to the largest proportional decrease in numbers, which occurred in the *Inner Regional and Outer Regional* categories (7.2% and 7.5% respectively). This compared to smaller declines of 4.2% and 2.2% for the last reporting period. By comparison, the proportional decline in number of educators in the *Major Cities* category (5.6%) was only slightly more than reported in the June 2021 edition of the Sector Profile (4.6%).

Despite the overall decrease in total educator member numbers over the past two quarters, and downward movement in all categories, the remoteness profile of the family day care sector has continued to remain quite stable. The vast majority (74.8%) of educators continue to reside in "Major City" locations, a proportion that is virtually unchanged from the previous reporting period to 30 June 2021 (74.5%) and is the same as for the previous 12 months (74.8% as at 31 December 2020). In addition, the overall percentage of educators residing in *Inner Regional* and *Outer Regional* areas (24%) remained essentially the same as in the previous reporting period (24.4%) and also 12 months ago (24.2%). Similarly, the share of educators residing in *Remote Australia* and *Very Remote Australia* showed no change from the last reporting period at 1.1%.

TABLE 3: EDUCATOR MEMBER NUMBERS BY REMOTENESS AREA FROM 31 DECEMBER 2020 TO 31 DECEMBER 2021.

Remoteness Area	Dec-20	Jun-21	Dec-21
Major Cities of Australia	8,498	8,109	7,653
Inner Regional Australia	1,900	1,820	1,689
Outer Regional Australia	848	829	767
Remote Australia	96	99	98
Very Remote Australia	15	16	13
Not Available	7	5	7
Total	11,364	10,878	10,227

⁷ ABS catalogue 1270.0.55.005 - Australian Statistical Geography Standard (ASGS): Volume 5 - Remoteness Structure, July 2016, released 16.3.2018.

Services

Distribution of family day care services by remoteness area from 31 December 2020 to 31 December 2021 is presented in Table 4 below.⁸

Despite some upward and downward movement in actual numbers represented across remoteness categories, there has been little variation in the overall proportion of services located in each category compared to the last reporting period.

The vast majority (68.2%) of all services continue to be located in *Major Cities of Australia*, slightly up from 67.4% as reported in the 30 June 2021 edition. In addition, there has been virtually no change in the share of services located in *Inner* and *Outer Regional* areas (30.4% of total services), compared to the proportion noted in the previous reporting period (30.7%). Finally, the proportion of services in *Remote* and *Very Remote Australia* has remained stable at 1.4% of services, which is the same proportion reported in June 2021.

However, looking back over the past 12 months, some changes can be seen in the distribution of services by remoteness area, namely the proportion of services located in major cities has declined slightly by just over 2 percentage points (70.7% to 68.2%). At the same time, there has been a slight increase in the proportion of services in inner and outer regional areas, from 27.4% in December 2020 to 30.7% in December 2021.

TABLE 4: SERVICES BY REMOTENESS AREA FROM 31 DECEMBER 2020 TO 31 DECEMBER 2021.

Remoteness Area	Dec-20	Jun-21	Dec-21
Major Cities of Australia	328	289	289
Inner Regional Australia	83	84	85
Outer Regional Australia	44	48	44
Remote Australia	4	4	4
Very Remote Australia	3	2	2
Not Available	2	2	0
Total	464	429	424

⁸ ABS catalogue 1270.0.55.005 - Australian Statistical Geography Standard (ASGS): Volume 5 - Remoteness Structure, July 2016, released 16.3.2018.



3.2 Socio-economic Disadvantage

Educator members

Table 5 below illustrates the distribution of FDCA educator members by area of relative socio-economic disadvantage from 31 December 2020 to 31 December 2021.⁹

The data shows that the family day care sector continues to provide much needed early childhood education and care for Australian families and children living in areas of high disadvantage, with 23.5% of educators nationally residing in decile 1 and 2 areas (representing the two areas of highest socio-economic disadvantage). In addition, over half (53.6%) of all educator members continue to be located in areas ranked within the first five deciles of highest socio-economic disadvantage. These proportions are very similar to those reported in the previous reporting period at 30 June 2021 (23.8% and 53.6% respectively), but represent a slight increase on the previous 12 months to end of December 2020, where the data showed 21.6% of educators resided in decile 1 or 2 locations, and 51% of family day care educators in decile 1-5 areas.

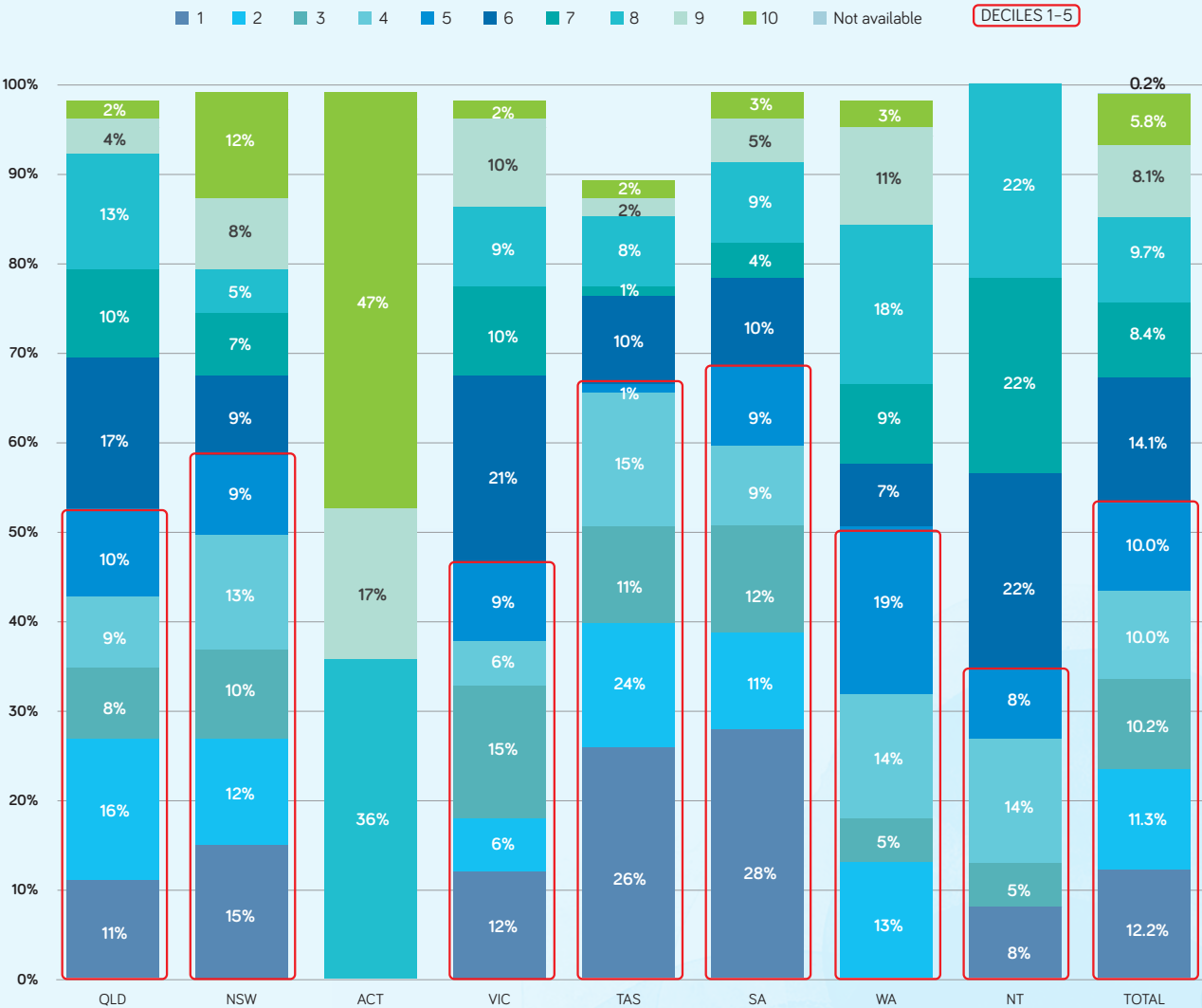
TABLE 5: EDUCATOR MEMBER NUMBERS BY RELATIVE SOCIO-ECONOMIC DISADVANTAGE FROM 31 DECEMBER 2020 TO 31 DECEMBER 2021.

Index of Relative Socio-economic Disadvantage	Dec-20	Jun-21	Dec-21
1	1,218	1,340	1,251
2	1,236	1,244	1,156
3	935	1,100	1,040
4	1,334	1,081	1,018
5	1,075	1,068	1,019
6	1,680	1,561	1,442
7	996	937	860
8	1,223	1,021	996
9	925	878	829
10	722	632	595
Not Available	20	16	21
Total	11,364	10,878	10,227

⁹ ABS catalogue 2033.0.55.001 - Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2016.

Figure 3 below shows the variation in distribution across states and territories. The states with the largest proportions of educators located in areas ranked within the first five deciles of relative socio-economic disadvantage are Tasmania (77%), South Australia (69%), New South Wales (59%), and Queensland (54%), with Western Australia sitting close behind at 51%. At 28%, South Australia was the state with the highest percentage of its educators located in areas ranked as decile 1 locations, with Tasmania not far behind at 26%.

FIGURE 3: EDUCATOR MEMBER NUMBERS BY SOCIO-ECONOMIC DISADVANTAGE AND STATE AND TERRITORY AS AT 31 DECEMBER 2021.



10 ABS catalogue 2033.0.55.001 - Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2016.



4. Service Quality Rating

4.1 Overall Quality Rating

This final section of FDCA's Family Day Care Sector Profile report provides insights into the performance of family day care services under the National Quality Framework, drawing on service data provided by ACECQA.

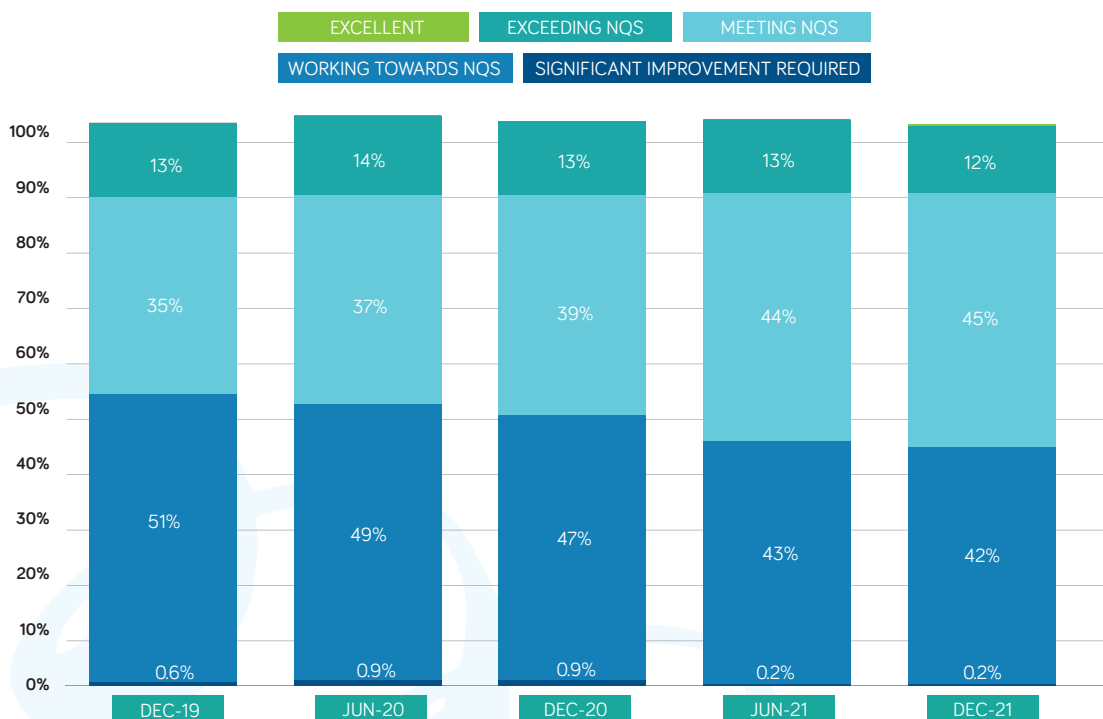
Figure 4 below indicates the proportion of family day care services by overall quality rating from 31 December 2020 to 31 December 2021.

It is pleasing to note that, as of 31 December 2021, a majority of family day care services (57.2%) continue to hold a ranking of *Meeting NQS* or above. This is similar to the proportion noted in the previous 6 months to 30 June 2021 (57%).

The proportion of assessed services now rated as *Meeting NQS* (45%) represents a significant improvement from 12 months ago at end of December 2020, when the proportion was 39%. Correspondingly, the proportion of services rated as *Working Towards NQS* was 42% in December 2021, down 5 points from 47% at end of December 2020. These changes over the past 12 months reflect the continued steady progress in quality improvements in family day care services' quality ratings. Similarly, the proportion of services rated as *Significant Improvement Required* has also decreased from 0.9% to 0.2% in the previous 12 months.

Over the same time-period, the proportion of services rated Exceeding NQS has remained relatively stable at 12%, decreasing only 1 percentage point from 13% at end December 2020.

FIGURE 4: PROPORTION OF SERVICES BY OVERALL QUALITY RATING¹⁰ FROM 31 DECEMBER 2020 TO 31 DECEMBER 2021.



¹⁰ ACECQA National Register, as at 31 December 2021.

Table 7 below depicts the number of assessed family day care services by overall quality rating and state or territory according to ACECQA's National Register as of 31 December 2021. It also includes numbers of services yet to be assessed.

The Northern Territory is the only jurisdiction where 100% of assessed services are rated *Meeting NQS* or above. The jurisdictions with the next highest proportion of assessed services rated as *Meeting NQS* or above, are the Australian Capital Territory (75%), Queensland (70.7%), New South Wales (58%), closely followed by Tasmania (55.6%). In contrast, at 46.9%, Western Australia has the lowest proportion of assessed services rated as *Meeting NQS* or above. However, this is an improvement since the last reporting period when only a third of WA's services were assessed as *Meeting NQS* or above.

TABLE 6: NUMBER OF SERVICES BY OVERALL QUALITY RATING¹¹ AND STATE AND TERRITORY AS OF 31 DECEMBER 2021.¹²

State	Excellent	Exceeding NQS	Meeting NQS	Working Towards NQS	Significant Improvement Required	Not yet assessed	Total	Assessed Services
ACT	0	2	4	2			8	100%
NSW	0	13	65	55	1		134	100%
NT	0	1	2				3	100%
QLD	1	16	53	29			99	100%
SA	0	1	5	6			12	100%
TAS	0	2	3	4			9	100%
VIC	0	10	52	58			120	100%
WA	0	5	10	17		3	35	91%
Total	1	50	194	181	1	3	427	99%

¹¹ ACECQA National Register, as at 31 December 2021.

¹² Services may undergo an NQS Assessment and Rating before they receive their CCS approval, hence the total number of services reported here may vary from totals reported earlier.



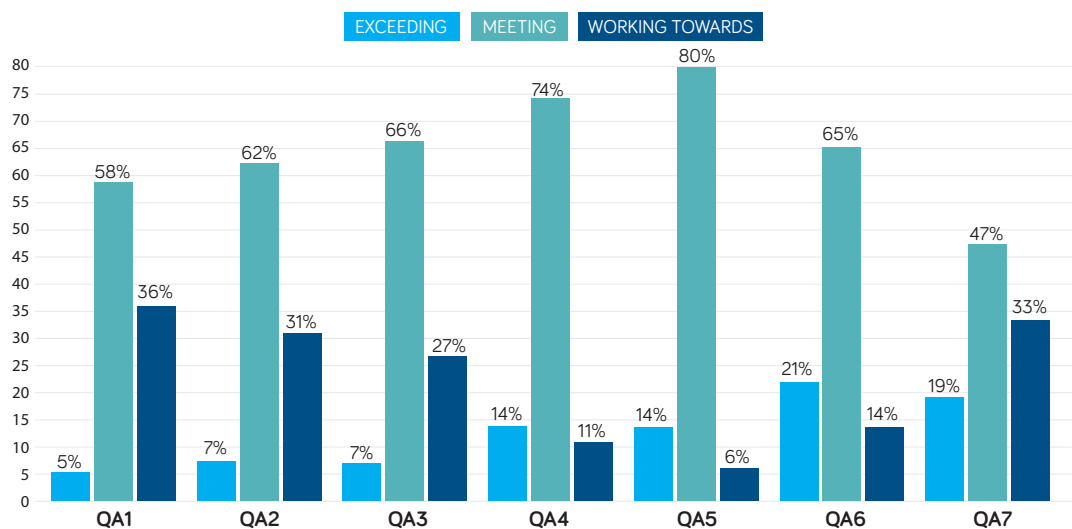
4.2 Quality Area Rating

Figure 5 below shows service data provided by ACECQA by NQS Quality Area rating as of 31 December 2021. Supplementary data and analysis are available in ACECQA's NQF Snapshot reports and NQF Annual Performance Reports.¹³

As can be seen below, the majority of all assessed family day care services are currently rated *Meeting NQS* or above for each of the seven Quality Areas, the result of continuous improvement over time. The strongest performance¹⁴ by family day care services remains within QA5 (Relationships with Children), QA4 (Staffing Arrangements), and QA6 (Collaborative Partnerships with Families and Communities): 94% are rated either *Meeting NQS* or *Exceeding NQS* in QA5; 89% of services fall within these rating categories in QA4; and 87% meet these criteria in QA6.

Across the seven categories, the two Quality Areas with the highest proportion of *Exceeding NQS* ratings awarded, continue to be in QA6 (20%) and QA7 (18%). Additionally, the Quality Areas that show the highest proportion of *Working Towards NQS* ratings are QA1 (34%), down from 36% in the last reporting period, and QA7 (32%), down from 33% in the six months to end June 2021. Again, this reflects ongoing improvements in quality over time.

FIGURE 5: SERVICE QUALITY AREA RATING¹⁵ AS AT 31 DECEMBER 2021.



¹³ See www.acecqa.gov.au/nqf/snapshots and www.acecqa.gov.au/resources/research/apr

¹⁴ This performance measure is based on the three Quality Areas with the highest percentages when combining the Meeting NQS and Exceeding NQS Quality Area ratings.

¹⁵ The seven NQS Quality Areas are as follows: QA1- Educational program and practice; QA2 - Children's health and safety; QA3-Physical environment; QA4 - Staffing arrangements; QA5 - Relationships with children; QA6 - Collaborative partnerships with families and communities; and, QA7 - Governance and leadership

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ABN 93 094 436 021
PO Box 571 Gosford NSW 2250
Web: www.fdca.com.au

For more information about this report please contact:
Michael Farrell, Advocacy and Engagement Manager
Phone: 1800 658 699
Email: michael.farrell@fdca.com.au

