



FAMILY DAY CARE AUSTRALIA

FAMILY DAY CARE SECTOR PROFILE

JUNE 2022



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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 2022 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 Bright Futures Family Day Care Service, located in the City of Kwinana in south-west Perth in Western Australia.



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



Located in the City of Kwinana, in the south-western Perth suburb of Orelia, Bright Futures Children's Service are established leaders in the family day care sector. With an impressive 33 years of operation behind them, Bright Futures is dedicated to providing quality outcomes for children, families and their family day care educators.

This commitment to quality is evident from the start of the educator recruitment process, where potential educators are guided through an induction process with tailor made training modules that cover all aspects of the NQF and best practice in family day care.

Peer to peer support is widely encouraged at the service and educators regularly come together to reflect and share their experiences, resulting in better outcomes for children and families. Bright Futures also prides itself in taking the time to celebrate educator achievements and recognising their commitment to early education and care through their own Award system.

Another key feature of Bright Futures Children's Service is the close links they have developed with members of their local Indigenous community, the Whadjuk people of the Noongar nation. This is a direct result of the service's demonstrated respect for Aboriginal people's connection to country as the traditional custodians of the land and its commitment to embedding Indigenous perspectives into all aspects of their service.

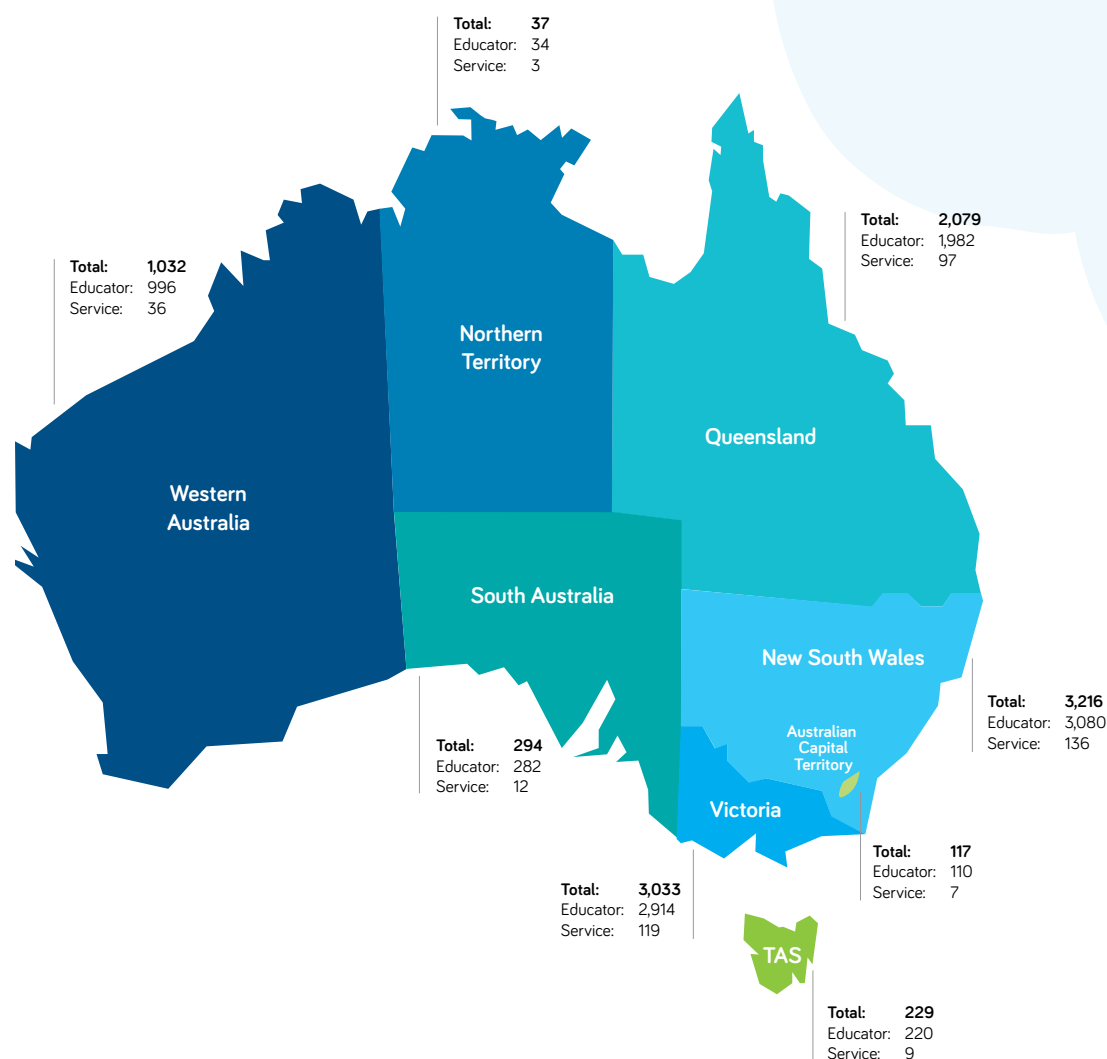
Bright Futures Children's Services won the 2021 FDCA Excellence in Family Day Care Service of the Year Award for Western Australia and South Australia.

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 30 June 2022, the total number of family day care services nationally is 419 and FDCA educator members total 9,618.

Victoria and New South Wales continue to be the states with the largest family day care communities, with New South Wales maintaining a narrow lead over Victoria as the state reporting the largest number of educators (3,080 compared to Victoria's 3,033) and services (136 compared to Victoria's 119). The Northern Territory remains the smallest family day care community with 3 services and 34 educators.

FIGURE 1: NUMBER OF FAMILY DAY CARE SERVICES AND EDUCATORS AS OF 30 JUNE 2022



⁴ Service numbers are based on the numbers of Child Care Subsidy Approved services as recorded at the Australian Government Child Care Finder. This edition's figures were sourced on 1 July 2022.

⁵ According to FDCA educator member records as of 30 June 2022.

2.1 Educator Member Numbers

Table 1 below provides a breakdown of FDCA educator members by state and territory from 30 June 2021 to 30 June 2022.

Over the last two quarters from 31 December 2021 to 30 June 2022 there continued to be a contraction in total numbers of educator members nationally (6%), as well as declines of varying magnitudes across all states and territories. This national decline the same as that reported in the six months to 31 December 2021 (6%) and is consistent with the ongoing downward trend in educator numbers apparent since 2016. The greatest proportional decrease over the last six-month reporting period occurred in South Australia (7.5 %), closely followed by Tasmania (7.2%) and the state of New South Wales (7.1%)

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 decline 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 30 JUNE 2021 – 30 JUNE 2022

State	Jun-21	Dec-21	Jun-22
Queensland	2,243	2,122	1,982
New South Wales	3,578	3,314	3,080
Australian Capital Territory	114	112	110
Victoria	3,221	3,041	2,914
Tasmania	259	237	220
South Australia	333	305	282
Western Australia	1,094	1,059	996
Northern Territory	36	37	34
Total	10,878	10,227	9,618



2.2 Educator Age

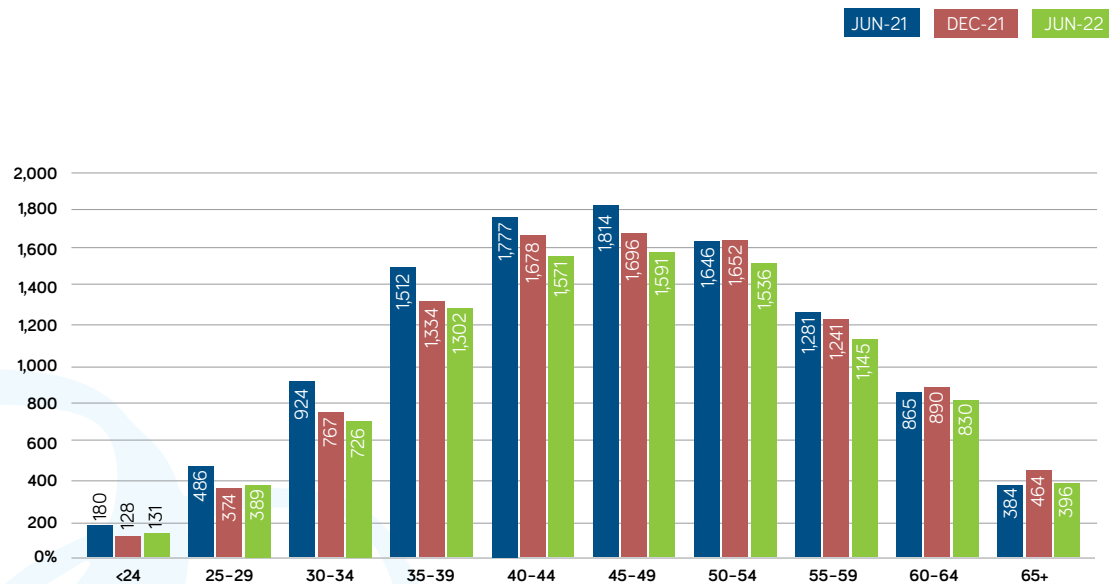
Analysis of FDCA educator member data over the two quarters ending 30 June 2022 reveals that the majority continue to fall into the more mature age groups (see Figure 2 below).

The age groups with the highest proportion of educator members are once again the 40-44 age group (16.3%), the 45-49 age group (16.5%) and the 50-54 age bracket (15.9%).

However, from 31 December 2021 – 30 June 2022, there were small proportional increases in the <24 and 25-29 age groups (2.3% and 4% respectively) which is encouraging. Otherwise, the national decline in educator numbers was reflected in all other age brackets in this reporting period, with the largest decrease by far being in the 65+ age group (14.6%), followed by the 55-59 age group (7.7%) and the 50-54 age group (7%).

The age 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 30 JUNE 2022.



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 31 December 2021- 30 June 2022.

Although continuing a downward trend, the data on service numbers for this six-month reporting period showed 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%, which was similar to that reported in the previous six months (30 June 2021 – 31 December 2021).

During the current reporting period, the most significant proportional decrease evident was in the Australian Capital Territory (12.5%); however the actual number was very small (n=1). The states of Queensland and Victoria suffered smaller declines of 3% and 1.7% respectively, and there was no change to the numbers of services in New South Wales, Tasmania, South Australia and the Northern Territory. Finally, service numbers in Western Australia actually grew by 2.8%, although this represented an increase of only one service.

TABLE 2: SERVICE NUMBERS BY STATE AND TERRITORY FROM 30 JUNE 2021 – 30 JUNE 2022

State	Jun-21	Dec-21	Jun-22
Queensland	101	100	97
New South Wales	138	136	136
Australian Capital Territory	8	8	7
Victoria	122	121	119
Tasmania	9	9	9
South Australia	12	12	12
Western Australia	36	35	36
Northern Territory	3	3	3
Total	429	424	419

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 31 December 2021 – 30 June 2022.⁷

Over the past two quarters, declines in the number of educators are evident across all remoteness categories, except for Very Remote Australia which saw a small increase of 5 educators. The category which saw the largest decrease in actual numbers (n=458) over the past six months was once again the *Major Cities of Australia*. Proportionally, this represented a decline of 6%, similar to that reported in the December 2021 edition of the Sector Profile (5.6%).

The *Inner Regional* category again saw the largest proportional decrease in educators: 7%, compared to 7.2% in the last reporting period. *Outer Regional* areas saw a smaller decline of 4.6% over the last 6 months compared to 7.5% for the last reporting period.

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 unchanged from the previous reporting period to 31 December 2021 (74.8%) and is almost the same as for the previous 12 months (74.5% as at June 2021). In addition, the overall percentage of educators residing in *Inner Regional* and *Outer Regional* areas (24%) remained the same as in the previous reporting period (24%) and virtually unchanged from 12 months ago (24.4%). Similarly, the share of educators residing in *Remote Australia* and *Very Remote Australia* showed minimal change at 1.2%, compared to 1.1% in the last reporting period.

TABLE 3: EDUCATOR MEMBER NUMBERS BY REMOTENESS AREA FROM 30 JUNE 2021 – 30 JUNE 2022.

Remoteness Area	Jun-21	Dec-21	Jun-22
Major Cities of Australia	8,109	7,653	7,195
Inner Regional Australia	1,820	1,689	1,571
Outer Regional Australia	829	767	732
Remote Australia	99	98	96
Very Remote Australia	16	13	18
Not Available	5	7	6
Total	10,878	10,227	9,618

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 30 June 2021 to 30 June 2022 is presented in Table 4 below.⁸

Despite very small decreases in the *Major Cities* (1.4%) and the *Outer Regional* (2.3%) 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%) of all services continue to be located in *Major Cities of Australia*, virtually unchanged from that reported in the 31 December 2021 edition (68.2%). In addition, the share of services located in *Inner and Outer Regional* areas (30.5% of total services), is very similar to the proportion noted in the previous reporting period (30.4%). Finally, the proportion of services in *Remote* and *Very Remote Australia* has remained stable for the past 12 months at 1.4% of all services.

TABLE 4: SERVICES BY REMOTENESS AREA FROM 30 JUNE 2021 – 30 JUNE 2022.

Remoteness Area	Jun-21	Dec-21	Jun-22
Major Cities of Australia	289	289	285
Inner Regional Australia	84	85	85
Outer Regional Australia	48	44	43
Remote Australia	4	4	4
Very Remote Australia	2	2	2
Not Available	2	0	0
Total	429	424	419

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 30 June 2021 to 30 June 2022.⁹

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 24% of educators nationally residing in decile 1 and 2 areas (representing the two areas of highest socio-economic disadvantage). In addition, over half (54%) 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 six-months to the end of 31 December 2021 (23.5% and 53.6% respectively). Data from 12 months ago at end of June 2021 tells a very similar story, with 23.8% of educators residing in decile 1 or 2 locations, and 53.6% of family day care educators located in decile 1-5 areas.

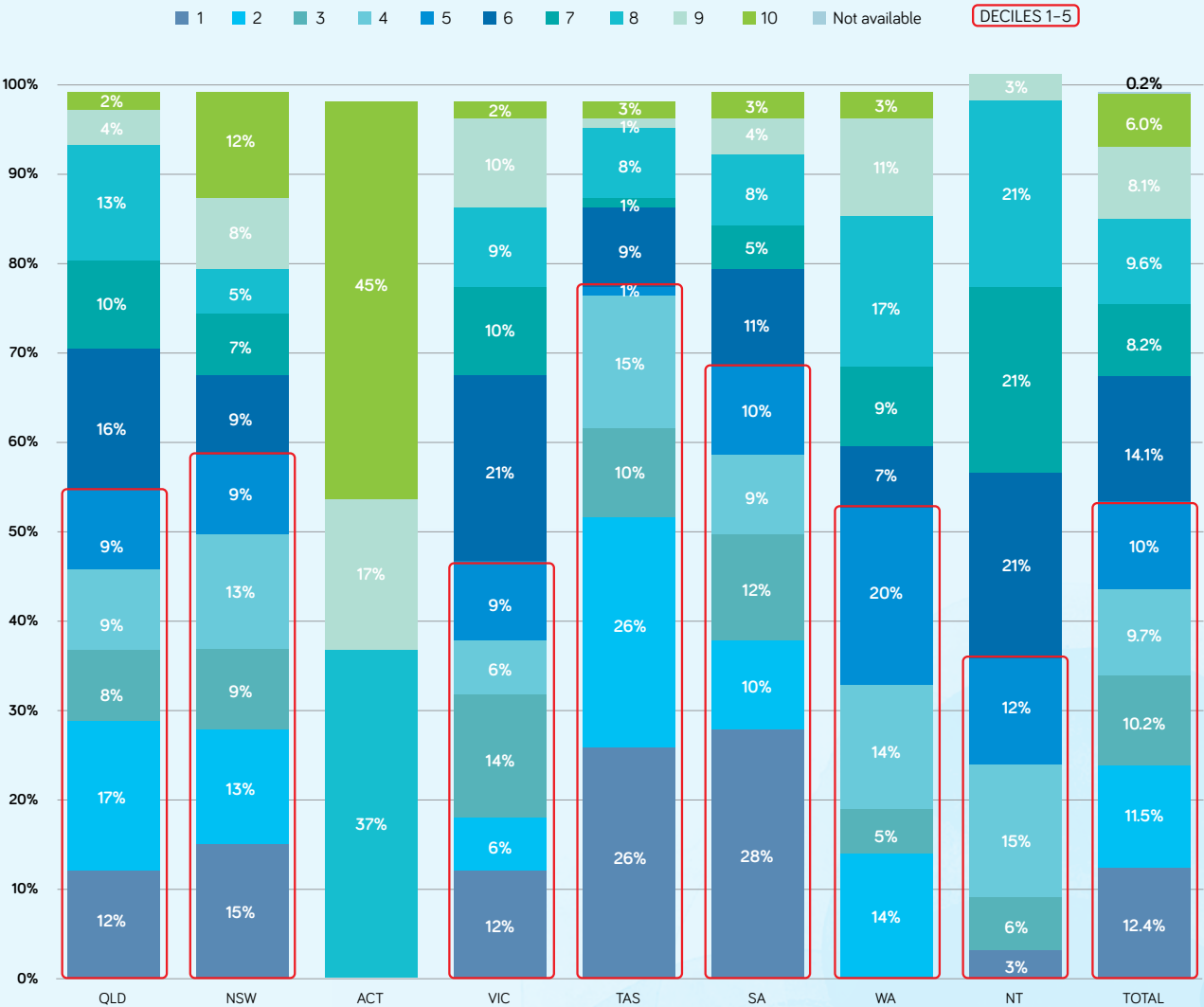
TABLE 5: EDUCATOR MEMBER NUMBERS BY RELATIVE SOCIO-ECONOMIC DISADVANTAGE FROM 30 JUNE 2021- 30 JUNE 2022.

Index of Relative Socio-economic Disadvantage	Jun-21	Dec-21	Jun-22
1	1,340	1,251	1,197
2	1,244	1,156	1,106
3	1,100	1,040	977
4	1,081	1,018	937
5	1,068	1,019	965
6	1,561	1,442	1,353
7	937	860	792
8	1,021	996	920
9	878	829	781
10	632	595	573
Not Available	16	21	17
Total	10,878	10,227	9,618

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

Figure 3 below which shows the variation in distribution across states and territories, paints a more nuanced picture. The states with the largest proportions of educators in areas classified as being within deciles 1-5 of relative socio-economic disadvantage are Tasmania (78%), South Australia (69%), New South Wales (59%), and Queensland (55%), with Western Australia sitting close behind at 53%. At 28%, South Australia was the state

FIGURE 3: EDUCATOR MEMBER NUMBERS BY SOCIO-ECONOMIC DISADVANTAGE AND STATE AND TERRITORY AS AT 30 JUNE 2022



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

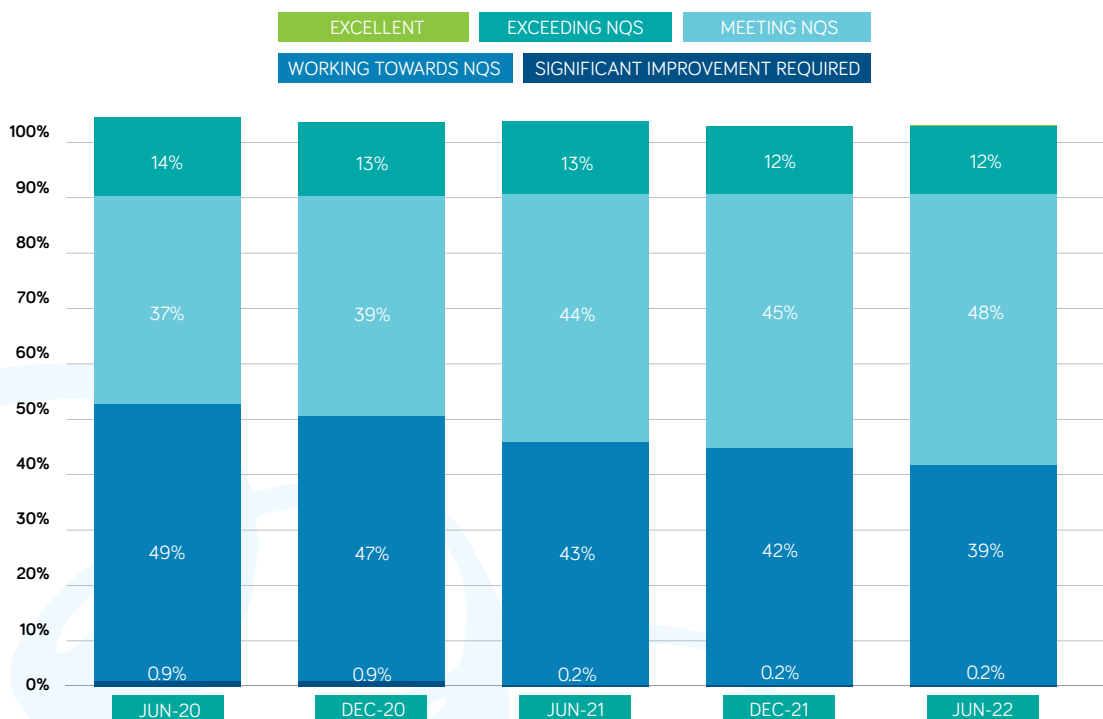
This final section of FDCA's Family Day Care Sector Profile report provides insights into the performance of family day care services under the National Quality Framework, drawing on service data provided by ACECQA.

Figure 4 below indicates the proportion of family day care services by overall quality rating from 30 June 2022. Looking over the data for the past 2 years, it is clearly evident that continued steady improvements are being made in quality ratings across the family day care sector, with a majority of family day care services (60.2%) now holding a ranking of *Meeting NQS* or above. This compares to 57.2% in the previous 6 months to 30 December 2021 and 51% at end of June 2020.

In particular, the proportion of assessed services now rated as *Meeting NQS* (48%) represents a significant improvement from 12 months ago when the proportion at end of June 2021 was 44% and 2 years ago at end of June 2020, when the proportion was 37%. Correspondingly, the proportion of services rated as *Working Towards NQS* was 39% at end of June 2022, 5 percentage points down from 43% at end of June 2021, and 10 percentage points from 49% at end of June 2020. Similarly, the proportion of services rated as *Significant Improvement Required* has also decreased from 0.9% to 0.2% over the past 2 years.

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 June 2021 and 2 percentage points from end of June 2020.

FIGURE 4: PROPORTION OF SERVICES BY OVERALL QUALITY RATING¹⁰ FROM 30 JUNE 2022.



¹⁰ ACECQA National Register, as at 30 JUNE 2022

Table 6 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 30 June 2022.

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 (71.4%) and Queensland (70.4%). The remaining jurisdictions are all closely grouped together in terms of their proportion of assessed services rated as *Meeting NQS or above*: Victoria (58.1%), New South Wales (56.9%), Western Australia (56.3%) and Tasmania (55.6%).

TABLE 6: NUMBER OF SERVICES BY OVERALL QUALITY RATING AND STATE AND TERRITORY AS OF 30 JUNE 2022.

State	Excellent	Exceeding NQS	Meeting NQS	Working Towards NQS	Significant Improvement Required	Not yet assessed	Total	Assessed Services
ACT		2	3	2	0	0	7	100%
NSW		13	65	58	1	0	137	100%
NT		1	2	0	0	0	3	100%
QLD	1	16	52	29	0	0	98	100%
SA		1	5	6	0	0	12	100%
TAS		2	3	4	0	0	9	100%
VIC		11	61	52	0	0	124	100%
WA		5	13	14	0	0	32	100%
Total	1	51	204	165	1	0	422	100%

11 ACECQA National Register, as at 30 June 2022.

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



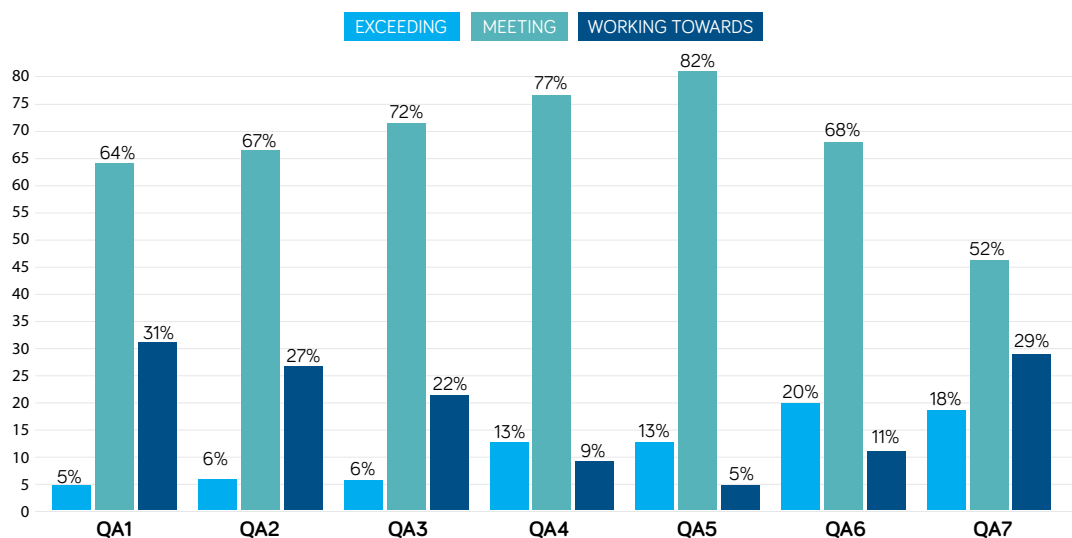
4.2 Quality Area Rating

Figure 5 below shows service data provided by ACECQA by NQS Quality Area rating as of 30 June 2022. 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 is 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): 95% are rated either *Meeting NQS* or *Exceeding NQS* in QA5; 90% of services fall within these rating categories in QA4; and 88% 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 (31%), down from 34% in the last reporting period, and QA7 (29%), down from 32% in the six months to end June 2021. Again, this reflects ongoing improvements in quality over time.

FIGURE 5: SERVICE QUALITY AREA RATING AS AT 30 JUNE 2022



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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