

Information note—Data on child care services

This note provides data on the number of businesses covered by the *Children’s Services Award 2010* and *Educational Services (Teachers) Award 2010* by size, service type and the number of education and care services and providers operating under the National Quality Framework (NQF).

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Definitions and data sources

Data in this information note is obtained from the following sources:

- the Australian Children’s Education and Care Quality Authority (ACECQA) (30 June 2020);
 - this data source was initially referred to by United Voice in a submission on 24 May 2019 that discussed the number of Long day care and Outside school hours services;¹ and
- the Australian Bureau of Statistics’ (ABS) Counts of Australian Businesses (30 June 2019).

The ACECQA is the independent authority that assists in the administration of the NQF, which sets out a national approach to regulating and assessing early childhood education and care and outside school hours care services. The ACECQA regularly publishes key data from its national register, outlining the number of providers and children’s education and care services at a point in time.²

An **approved provider** is a person who holds a provider approval (National Law). A provider approval authorises a person to apply for one or more service approvals and is valid in all jurisdictions.³ A children’s education and care **service** is defined as any service providing or intending to provide education and care on a regular basis to children under 13 years.⁴ This only includes services that are within the scope of the NQF.⁵

A **centre-based service** is an education and care service other than a family day care service. This includes most long day care, preschool and outside school hours care services that are delivered at a centre. It does not include preschools in Tasmania or Western Australia out of scope of the NQF, as well as other services that aren’t regulated under the National Law. A **family day care service** is an education and care service delivered through a network of educators operating

¹ Fair Work Commission (2019), [Background document](#), 4 yearly review of modern awards—Award stage—Group 4—*Children’s Services Award 2010—Educational Services (Teachers) Award 2010—Substantive claims*, 13 June, para. 98.

² ACECQA (2020), [NQF Snapshots](#), Q2 2020, August.

³ ACECQA (2020), [Guide to the National Quality Framework](#), Glossary, p. 616.

⁴ ACECQA (2020), [Guide to the National Quality Framework](#), p. 36.

⁵ See ACECQA (2020), [Guide to the National Quality Framework](#), pp. 36–37 for a full list of the services excluded.

from residences and other approved venues. They are sometimes known as family day care schemes and they are administered and supported by central coordination units.⁶

The ABS' Counts of Australian Businesses publication is used to determine the number of businesses covered by the *Children's Services Award 2010* and *Educational Services (Teachers) Award 2010*. Small businesses are defined as those that employ less than 20 employees, medium businesses employ 20 to 199 employees, and large businesses employ 200 or more employees. These data exclude the public sector, except for Government owned or controlled corporations.⁷

Using a framework developed by Fair Work Commission staff,⁸ the *Children's Services Award 2010* is 'mapped' to the following Australian and New Zealand Standard Industrial Classification (ANZSIC) industry classes:

- 8010 Preschool education; and
- 8710 Child Care Services.

Using the same framework, the *Educational Services (Teachers) Award 2010* is 'mapped' to the following industry classes:

- 8010 Preschool education;
- 8021 Primary education;
- 8022 Secondary education; and
- 8023 Combined primary and secondary education.

The number of providers from the ACECQA data and the number of businesses mapped to the *Children's Services Award 2010* and *Educational Services (Teachers) Award 2010* are found to be different. This is mainly because the mapping process picks up some businesses that are unrelated to child care and would not be included in the ACECQA NQF data.

Children's education and care services

As at 30 June 2020, there were around 7300 approved providers operating under the NQF (Table 1). More than 6 in 10 provided long day care services and around 4 in 10 provided either outside school hours care or preschool/kindergarten services.

These providers were operating around 16 100 children's education and care services approved under the NQF. This is because a provider can deliver more than one service of the same type and can also deliver more than one type of service (e.g. a provider can deliver 2 Long day care services and 1 Outside school hours care service).

Long day care services accounted for almost half of all services, followed by Outside school hours care (28.0 per cent) and Preschool/Kindergarten (19 per cent).

⁶ ACECQA (2020), *NQF Snapshots*, Q2 2020, August, p. 5.

⁷ ABS, *Counts of Australian Businesses, including Entries and Exits, June 2015 to June 2019*, Catalogue No. 8165.0, Explanatory notes.

⁸ Preston M, Pung A, Leung E, Casey C, Dunn A and Richter O (2012), *Analysing modern award coverage using the Australian and New Zealand Industrial Classification 2006: Phase 1 report*, Research Report 2/2012, Fair Work Australia.

Providers were operating an average of 2.2 services. Outside school hours care providers had a higher number of services on average (2.9), followed by Preschool/Kindergarten (2.3) and Long day care (1.8).

Table 1: Number of services and providers as at 30 June 2020, by service sub-type

	Family day care	Long day care	Outside school hours care	Preschool/Kindergarten	Other	Total
Number of services and providers						
Services	507	8035	4504	3058	3	16 107
Providers	450	4496	1551	1343	3	7258*
Proportion of services and providers						
Services	3.1	49.9	28.0	19.0	0.0	100.0
Providers	6.2	61.9	21.4	18.5	0.0	100.0
Average number of services per provider						
	1.1	1.8	2.9	2.3	1.0	2.2

Note: * The sum of provider sub-types does not reconcile to the total as individual providers can operate across different sub-types.

Source: ACECQA (2020), *NQS data (Q2 2020 – data as at 30 June 2020)*, August.

The majority of ACECQA approved providers operated only a single service, and only 1 per cent operate 25 or more services. However, one-third of services were operated by large providers (Table 2).

Table 2: Size of approved providers and services, per cent

	Small (1 service) %	Medium (2–24 services) %	Large (25 or more services) %
Providers	81	18	1
Services	37	30	33

Source: ACECQA (2020), *NQS data (Q2 2020 – data as at 30 June 2020)*, August, p. 9.

Children's education and care services are offered in a variety of settings and providers utilise a variety of management types, with almost half of the proportion of services provided by a private for profit management type (49 per cent).⁹

⁹ ACECQA (2020), [NQF Snapshot: Q2 2020](#), p. 8.

Table 3: Number and proportion of services by provider management type

Provider management type	Number of services	Proportion of services (%)
Private for profit	7868	49
Private not for profit community managed	3413	21
Private not for profit other organisations	2209	14
State/territory and local government managed	1217	8
State/territory government schools	700	4
Independent schools	497	3
Catholic schools	188	1
Not state/other	15	0
Total	16 107	100

Source: ACECQA (2020), *NQS data (Q2 2020 – data as at 30 June 2020)*, August, p. 8.

Number of businesses (ABS)

Table 2 shows the number of businesses mapped to the *Children's Services Award 2010* and *Educational Services (Teachers) Award 2010* by size as at 30 June 2019. There were around 12 600 businesses covered by the *Children's Services Award 2010* and 2700 covered by the *Educational Services (Teachers) Award 2010*. Because one industry (Preschool education) is mapped to both modern awards, the total number of businesses covered is around 13 700.

More than half of businesses covered by the *Children's Services Award 2010* were non-employing businesses and more than one-third were small businesses. For businesses covered by the *Educational Services (Teachers) Award 2010*, more than half were small businesses, around one quarter were medium businesses, and one-fifth were non-employing businesses.

Among employing businesses only, the majority covered by either modern award were small businesses. Around 7 in 10 businesses covered by the *Children's Services Award 2010* were small businesses, while around 6 in 10 employing businesses covered by the *Educational Services (Teachers) Award 2010* were small businesses.

Table 4: Number of businesses mapped to the *Children's Services Award 2010* and *Educational Services (Teachers) Award 2010* by size, 30 June 2019

	Non- employing	Small	Medium	Large	Total
Number of businesses					
<i>Children's Services Award 2010</i>	6559	4379	1663	53	12 646
<i>Educational Services (Teachers) Award 2010</i>	521	1365	694	130	2704
Total (selected) industries	6773	4629	2172	176	13 742
Proportion of businesses					
<i>Children's Services Award 2010</i>	51.9	34.6	13.2	0.4	100.0
<i>Educational Services (Teachers) Award 2010</i>	19.3	50.5	25.7	4.8	100.0
Total (selected) industries	49.3	33.7	15.8	1.3	100.0
Proportion of employing businesses					
<i>Children's Services Award 2010</i>	–	71.8	27.3	0.9	100.0
<i>Educational Services (Teachers) Award 2010</i>	–	62.4	31.7	5.9	100.0
Total (selected) industries	–	66.3	31.1	2.5	100.0

Note: Due to both awards having one common industry class (8010 Preschool education), the total number of businesses covered by both awards does not equal the sum of businesses across both awards.

Source: ABS, *Counts of Australian Businesses, including Entries and Exits, June 2015 to June 2019*, Catalogue No. 8165.0.